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China's Raw Silk Industry

Measures that China Must Take
to Keep up the Quality and In-
crease the Quantity of this Great

Export Product, as Outlined by Mr. D. E. Doughty of the New York Silk Conditioning House
after an Investigation of China's Silk Producing and Manufacturing Centers.

The discovery of the silk fiber and its utilization as a material for weaving fabrics belongs so decidedly to the remote past that, like many other primitive beginnings, it is glorified by much romance and legend. It seems fairly well established that nearly 4,000 years ago the Chinese knew the value of the strong, elastic, beautiful fiber of the silk worm cocoon and had devised a method for reeling and combining it into yarn suitable for hand weaving.

The first historical references attribute its beginning to royal discovery and patronage, but it is quite reasonable to assume that the class of people who came most closely in touch with the growing trees, animal life and insects had found a use for the silk worm cocoon some time before it became sufficiently important to attract royal attention. It is, however, probable that the actual cultivation, propagation and primitive development of silk originated with the Chinese government, and being a very interesting, easy, clean work was undertaken by the ladies of the court.

All through the centuries and even down to the time of the late Empress Dowager there has existed a well established court ceremony solemnizing the beginning of spring, the hatching of the silk worm eggs and the feeding of the worms. There appears to have been two fundamental motives underlying this spring ceremony, viz.; the appeal for a prosperous year with an abundant harvest of cocoons and the endeavor to dignify the labor in the estimation of the common people.

For many hundreds of years China alone appears to have known how to produce and utilize silk. The secret later became known in Syria, Greece, Italy and France, where it likewise received marked royal attention and favor on account of the beautiful fabrics which could be made from it for court, state and church ceremonial robes and palace decorations.

The European countries devoted much energy to the improvement of the mulberry,

also to the different varieties of silk worms and to the development of machinery both for reeling the yarn and weaving the cloth. The quality of the European product was much improved and China dropped to second place both in quality and quantity.

About the middle of the 19th century the silk worms in Europe began to suffer from diseases which threatened the actual destruction of the industry. The most skilled naturalists of France and Italy turned aside from their other work and devoted their energies, in some cases under governmental commissions, to studying the causes of the diseases and the methods for preventing them. Finally the great bacteriologist Pasteur succeeded in isolating and identifying the tiny germs of each disease and was able to determine by microscopic examination when the silk worm moth was affected by any of the five diseases which were the most destructive. This method of scientific examination and selection of healthy moths and the use only of the eggs produced by them has become known as the Pasteur method of silk worm propagation. It not only led to the eradication of the silk worm diseases but to selective cultivation which produced stronger worms spinning better filament and larger cocoons.

To make the reform of the French and Italian silk industry effective it was essential that the work should be carried on continuously and under such centralized authority that it would reach the entire industry, especially that portion done by the farmers. The selection and propagation of eggs was so technical and required such extensive and expensive equipment that it was placed at once beyond the means of the individual cocoon grower. If carried on by associations in the various districts, working independently, it would have been lacking in uniformity and thoroughness.

The egg production and distribution was therefore placed under the control of



REELING ROOM OF A SILK FILATURE, SHOWING CHILDREN PREPARING THE COCOONS BY BOILING. ROUGH BRUSH IN SMALLER GIRL'S HAND CATCHES FIBERS OF COCOONS WHICH ARE THEN PICKED UP AND DRAINED IN PERFORATED PAN

the government with the result that no farmer is allowed to hatch eggs which have not been produced or certified by the government sericultural bureau.

Observing the results which European methods were producing upon the quality and value of European raw silks as compared with Oriental raw silk Japan became interested. She sent many of her young scientific men to Italy and France to study the Pasteur methods and to observe the European methods of reeling the cocoons. She organized a sericultural bureau, a silk testing bureau and an experimental bureau with prefectural branches, all under the Minister of Agriculture and Commerce. She equipped a modern filature at Nagoya and operated it as a model for several years and then transferred it to private ownership.

The result of this application of scientific methods to Japanese sericulture during the past 25 years has been the increase of her export of raw silk ten fold and the doubling of its value per picul.

The increase in the governmental revenues from the export duty has been sufficient to pay all of the expenses. Besides increasing the total value of her raw silk export twenty-fold, the introduction of sericulture on the waste lands in districts where rice or wheat could not be grown profitably has converted many of these districts from poverty to prosperity. The net result in the world's raw silk production has been that Japan became first, Europe second, and China third.



WOMEN STRIPPING WASTE SILK FROM COCOONS, THIS WASTE BEING THE FIBERS BY WHICH THE SILKWORM FORMED A SUPPORT FOR THE COCOON BEFORE STARTING TO SPIN—FROM THIS WASTE IS WOVEN POWDER BAGS FOR THE HEAVY ARTILLERY

Thus China, the discoverer and for many years the first producer of silk has been surpassed by other nations who have not been satisfied to continue her ancient methods but have applied the results of modern scientific and mechanical development and by the co-operation of their business and governmental agencies have improved both the quality and quantity of their product.

The vast alluvial valleys of eastern China are admirably adapted to the growth of the mulberry. Hundreds of square miles of land unsuited to the profitable growing of foodstuffs on account of the difficulty of irrigation could be made to produce excellent food for silk worms. The variety of climate existing from the Pearl and West river valleys in the south to the Yangtse and Hwang Ho in the north and from the ocean on the east to the mountain ranges of Central China on the west, makes it possible to produce every quality of cocoon filament that can be produced in any country. In her cities and larger villages China possesses a wonderful supply of cheap labor, admirably adapted by temperament, habits and inheritance for reeling the silk filament of the cocoon into raw silk thread. There seems to be no single natural obstacle to prevent her from

competing successfully for her portion of the world's raw silk markets.

A three months' survey of the silk producing districts of China is markedly insufficient to enable an American or European to fully comprehend the complex social, business and economic conditions of the Orient, or to assume to give advice. Business methods and ideals and the relations and attitude of business men towards one another and towards the government are so vastly different in China that a foreign business man should reserve judgment and be cautious about forming conclusions upon brief and restricted observations.

The impressions which a hasty traveler gets might be vastly modified by a more extended sojourn, permitting more intimate acquaintance. But even false impressions honestly conceived may have their value if stated without prejudice and in the spirit of constructive suggestions rather than destructive criticism. They at least reflect the effect which a country and its customs and conditions has upon a stranger and foreigner.

It is therefore with a complete consciousness of limited observation that the following suggestions on China's raw silk industry are made.

The changes which would lead to the improvement of China's silk industry and to the extension of her commerce in raw silk with other countries may be roughly classified into six general groups, each of which, discussed in a thorough, technical way is sufficiently extensive to form an independent paper. Arranged



SORTING THE COCOONS INTO GRADES AS REGARDS SHAPE AND FINENESS OF FIBER, DAMAGED AND DIRTY ONES BEING SEPARATED—HERE ARE ALSO SET ASIDE THE COLORED COCOONS, YELLOW, GREEN AND TINGES OF BROWN BEING MOST COMMON

in the order in which they would produce the earliest results they are as follows:

First: Modifications of her present methods of reeling the silk cocoon filament into raw silk thread which shall be clean, more uniform, more compact and wound into skeins of proper size and formation to enable manufacturers to wind, double and spin it into silk yarn with less expenditure of time and money.

Second: Improvements in the present methods of sericulture, i.e. the growing of the silk cocoon by the farmer so as to produce a better and more uniform quality of cocoon and a larger quantity with the same consumption of mulberry.

Third: Extension of sericulture to lands which are unsuited for the profitable production of foodstuffs but which are sufficiently fertile to produce good mulberry for the feeding of silk worms.

Fourth: The unification and standardization of the present provincial sericultural schools and the extension of sericultural education under the direction of an educational branch of the central government and the utilization of the schools by means of short courses for teaching modern sericulture to young men



GENERAL VIEW OF REELING ROOM, SHOWING TWO OF FOUR BANKS OF REELS, ONE CHILD SUPPLYING COCOONS FOR TWO REELERS—THE CHILDREN ARE PAID 15 CENTS A DAY, THE WOMEN 30 CENTS FOR TWELVE HOURS WORK



NEAR VIEW OF REELS WITH COCOONS BEING UNWOUND AT STRAIGHT EDGE OF SEMI-CIRCULAR BASIN, EACH WOMAN KEEPING CONSTANTLY RUNNING FOUR THREADS EACH MADE UP FROM SIX TO EIGHT COCOONS

and women who will become the actual silk workers rather than teachers or government officials.

Fifth: The establishment of a sericultural bureau either by the Government or through a national silk and cocoon guild for the production of certified eggs of assured quality to be furnished to the farmers at little or no cost but with the stipulation that they are to be hatched and fed according to proper methods.

Sixth: The establishment of a form of inspection service either by the central government or the provinces which will assure the quality of all silk offered for export and will curtail all kinds of trade abuses which will injure the reputation of China silks.

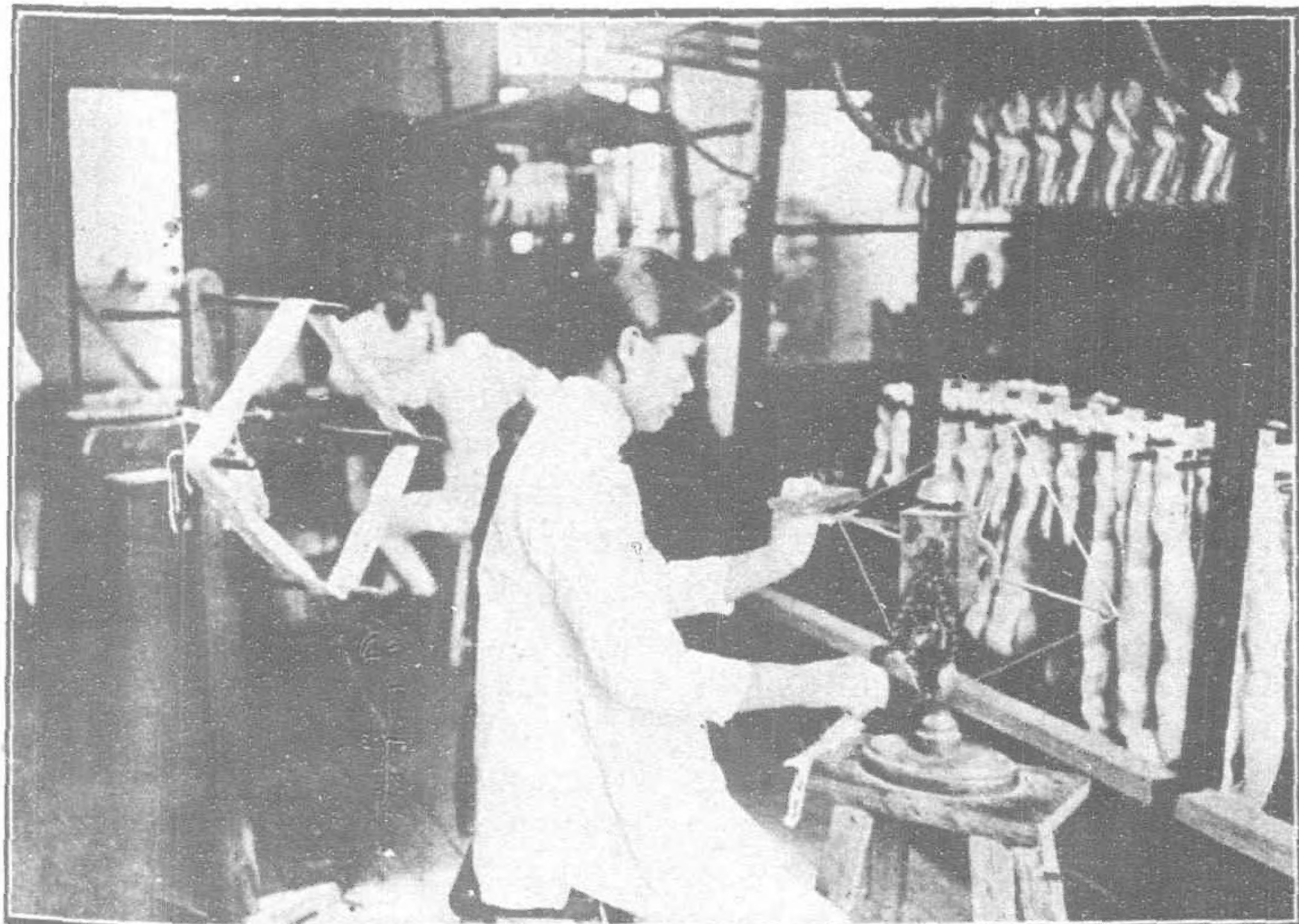
Some of these steps are extensive, difficult and would require a long time. All of them are absolutely essential to place China on the same level of excellence as the other large silk producing countries. The manner in which they can be accomplished is not at present apparent. The absence of a strong government which can undertake constructive development in addition to executive administration and the total lack among the business men of confidence in one another, a necessity for securing co-operative action having for its purpose the advancement of the whole industry in place of the profit of the individual, make methods which have succeeded in other countries impossible.

Improvements which can be accomplished by individual endeavor may be gradually introduced by a process of education,

demonstration and responsible supervision. Even in this it is almost imperative that the initiative shall be assumed by occidentals and the supervision continued by them for many years. The opinion seems to be quite general that those industrial enterprises which have been initiated and conducted successfully under foreign supervision have met disaster very soon after the foreign supervision has been discontinued and the complete control has been assumed by the Chinese.

The almost national characteristic of the Chinese management of an industrial enterprise is to adopt a policy which will yield the largest immediate profit regardless of the effect which it may have on the future of the business; the willingness to sacrifice quality to production and profit and the tendency to indulge in sharp practices of adulteration and substitution will stand as a very powerful handicap upon China's industrial success in large enterprises until such time as her business policies have been materially modified. The decrease of her tea and bean trade and the failure of many of her cotton mills under purely Chinese management stand as mute evidence of an erroneous industrial-business policy.

Improvements which are beyond the resources of the individual or manufacturing company must be accomplished either through governmental agencies, industrial organizations or a union of both. The Republic of China had established a Ministry of Agriculture and Commerce and had so far recognized the importance of the silk industry as to organize the Department of Sericulture having among its officers men



SAMPLING THE REELED SILK—450 YARDS ARE WOUND OFF ON MACHINE EQUIPPED WITH REVOLUTION COUNTER



WEIGHING THE SAMPLES AND RECORDING THEM TO CHECK UP THE REGULARITY, EVENNESS AND SIZE OF THE SILK



EACH SKEIN AFTER SAMPLING, IS TWISTED INTO FORM FOR SHIPMENT BY GIRL WHO TURNS THE END THROUGH WITH BIT OF BRASS TUBE

who have been trained in Italy and Japan. Large problems of state have evidently required so much attention that only a meager amount of progress has resulted. There are several Provincial Sericultural Schools better equipped and making more progress in experimental development than the Experimental Station at Peking.

If the Department of Sericulture is to become a leader it will be necessary for it to receive better support than in the past and for its officers to win for themselves a position of leadership by the superiority of their work and the amount of energy they devote to a systematic campaign for the betterment of the sericulture of all China.

At as early a date as possible a Raw Silk Commission composed of active, reliable and respected silk men, one from each silk producing district, including the wild silk districts of Shantung and Northern Manchuria, and the Director of Sericulture of the Ministry of Agriculture and Commerce, should be formed. The individuals of this Commission should be men who are willing to devote some of their time to the advancement of China's silk industry without compensation or intention of individual profit and the expenditure of the Commission should be limited to actual necessary expenses. The Commission should visit Japan and America as soon as possible and at the close of the war should go to the silk districts of France and Italy. Such missions would result in the accumulation of a large and useful amount of information upon conditions in other countries and the requirements of the world markets for China's raw silk. It would then be possible to inform the Chinese producers of the needs of other markets and to intelligently devise ways and means for teaching them how to meet these requirements.

Young men with previous training in engineering in Europe, America and Japan should be sent abroad to silk producing countries to study methods and to return home prepared to install modern filatures. These young men should be very carefully selected, not because they are sons of prominent

citizens but because they have already shown ability and a willingness to work hard and earnestly.

China should strive to have more of her cocoon production reeled in steam filatures. Districts like Foochow and Nanking, located in splendid cocoon producing areas and possessing a large amount of cheap labor seeking remunerative employment, should be encouraged to introduce silk cocoon reeling. A large



GATEWAY OF SHANGHAI'S LARGEST FILATURE IN WHICH UPWARDS OF 2,000 WOMEN AND GIRLS ARE EMPLOYED UNDER STRICTLY SANITARY CONDITIONS

amount of good cocoons is reeled into very inferior raw silk thread by the countrymen working in houses with very primitive apparatus and insufficient knowledge. Where transportation facilities are available these cocoons should be shipped to steam filatures and reeled into high quality raw silk. To supply the domestic demands of the Chinese weavers for low grade raw silk, sericulture should be extended to more remote regions where no means exist for transporting cocoons but where raw silk could be reeled and delivered to outside markets. The reeling of the silk which has been reeled by the countryman with his primitive appliances and limited knowledge only results in forming it into better skeins. The fundamental defects of lack of uniformity, cleanliness and cohesion remain, and the final product must be placed on the foreign market at a price considerably below that which the quality of the original cocoon filament would yield if it had been properly reeled.

The reduction of European raw silk production since the beginning of the war has produced an increased demand and a corresponding increase in price for China's raw silk. At the close of the war it will be many years before raw silk production in France and Italy regains its former magnitude, if indeed it ever does. China's opportunity to make raw silk one of the leading commodities in her export trade and a source of great profit to her people as well as a substantial source of revenue for the maintenance of the government, *is now*.

She is amply qualified with climate, soil, and an abundance of especially suitable labor to make herself the leading raw silk producing country, and it will be only her lack of necessary business acumen and vision of the commercial future which will cause her to fail to realize her opportunity.

China Enters the War

Breaks with Germany and Austria-Hungary on account of Teutonic
"Frighthfulness"

On August 14, at ten o'clock in the morning, President Feng Kuo-chang, and the Cabinet at Peking, declared China to be in a state of war with Germany and Austria-Hungary. A Presidential Proclamation set out the reasons for this step. There was no jubilation on the part of the populace of the Capital—no flag-wagging, no enthusiastic demonstrations before the Legations of the foreign nations engaged in war against the Central Powers. The Proclamation might have been some innocuous essay on the advantage of some new-fangled system of street watering for all the public interest it created. When it was posted throughout the city a few people collected to read it and then passed on without comment. It all meant nothing to the man in the street—and it meant nothing because the man in the street understands foreign affairs about as much as he does the application of the differential calculus. Remembering the demonstration in front of the House of Parliament on May 10, when members were besieged by a large crowd ostensibly yelling for a declaration of war, one would have thought that this particular section would have been so overjoyed at seeing a consummation of their desires that they would have demonstrated enthusiastically and expansively. Nothing of the kind. That crowd yelled before Parliament House because some one paid it to do so, and no one bothered paying any one anything to jubilate when war was actually declared. Nor did the Allied Ministers seem to care very much. Most of them were away on the coast flirting with the sea-breezes and enjoying the embraces of the bubbling breakers. The only Ministers in the Capital were the representatives of the Netherlands—who has charge of German interests—and Austria-Hungary.

Little Enthusiasm in Peking

It was known for some days that a declaration of war was actually imminent, and because of that, perhaps, the public lost interest. The most "excited" people were the Germans and the Austrians, and even they were too blasé to bother over much. A declaration of war to them is a commonplace thing by now, and when this particular one did not carry immediate internment with it they could see no reason to be downcast. In the Austrian barracks there was actually a celebration on the night of the 14th, which might be interpreted in several ways. Altogether the day could be said to have passed off without anyone in particular turning a hair, and it is a certainty that there was more enthusiasm in foreign capitals than right here in the centre of things.

In addition to the proclamation letters were sent to the various personages concerned, and in reply to his *billet doux* the Austrian Minister is said to have stated that he could not recognise the declaration of war since it had not been passed by Parliament! Even an Austrian diplomat is entitled to have a bump of humor, however, but the Chinese promptly returned him his letter and intimated to him that as he had received his passports he was not entitled to address the Government!

By her action China has come into the war as an independent. In previous issues of the *Far Eastern Review* we have chronicled the steps taken from time to time to lead to this finality. They have been spasmodic. When America severed relations with Germany members of the Young China Party worked strenuously to influence the Chinese Government to follow suit. The opposition of the then President (Li Yuan-hung), the Premier, (General Tuan Chi-jui), and others, was so strong that nothing more than a note of warning to Germany could be secured. But this committed China to further action, and therefore the Young China Party actually deserve the credit of starting their country along a new highway in international

affairs, though it is to be regretted that the consummation of the movement they inaugurated came about at a time when they were in rebellion against the Central Government and consequently were unable to assist in any way in the development which entrance into the war is hoped to inaugurate. At least they could have assisted materially by following the precedent of England and Ireland, when Great Britain went to war. They could have dropped their rebellion and rallied round the Central Government in order that their country could present an united front, but they refrained from doing this on the ground that the President and Premier are not entitled to declare war without the approval of Parliament. And there is no Parliament!

In considering the change that has taken place in internal politics since the note of warning was sent to Germany it is interesting to recall that at that time Dr. Sun Yat-sen was so sure that Germany was going to win the war, and was so bent upon frightening the Allies, that he despatched a telegram to the British Premier solemnly announcing that if China went into the war there would be an immediate outbreak of Boxerism. In other words there would be a massacre of the foreigners in China. Dr. Sun Yat-sen was then opposed by the moderate members of his party and the excited efforts made by himself and Mr. Tang Shao-yi to prevent Parliament from agreeing later to a severance of relations with Germany were of no avail. The whirligig of politics has since changed the relations and now, at the time China declares war, we find Parliament non-existent and the members who pushed the initial war measure through ranged with Sun Yat-sen, the prophet of massacre, under the banner of rebellion in Canton. Dr. Sun has now to show whether he is a prophet to be "honored" in his own country or not. If there is no Boxerism he will lose considerable "face"—and no Chinese will lose face if he can avoid it. So the foreigners are on the tip-toe of expectancy to see whether Republicanism during six years has really thrown the people back upon a reactionary track, as declared by Dr. Sun, or has elevated them above the crude and barbaric notions of the Manchus of 1900. If there is any interference with foreigners, to say nothing of massacre, it ought to go pretty hard with Dr. Sun Yat-sen.

But the members of the Young China Party now with Dr. Sun had no faith in his prophecy, for when it came to the time to vote for severance of relations with Germany they did so with overwhelming majorities in both the House of Representatives and the Senate, and it is fairly certain that war would have been declared sometime in May if it had not been for the short-sighted action of some one in arranging the demonstration before the House of Representatives on May 10. This, as explained in full in the June issue of this journal, turned even the moderates in Parliament against the Premier (General Tuan Chi-jui), and it produced the situation which ultimately developed in the forcible dissolution of Parliament by Presidential Mandate issued at the behest of the military leaders.

Premier Decides on Final Step

Following the demonstration, the consequent estrangement of the Young China supporters of the Premier, and the dissolution of Parliament, came political developments which culminated in the restoration of the Manchus and generally put consideration of the war question out of court. With the re-establishment of Republicanism, however, the Premier took the matter again into consideration, and despite the fact that the claim of the Constitutionalists is that war cannot be declared without the sanction of Parliament, he decided to take the final step, and made preparations accordingly. Soon after the acting-President, General Feng Kuo-chang, arrived in Peking final details were arranged,

and on August 14 the plunge was taken—rather a courageous plunge seeing that in the South there were active agitators at work endeavoring to challenge by force the right of the acting-President and Premier to be functioning as a government in Peking.

The proclamation issued by the acting-President is as follows:

On the 9th day of the 2nd month of this year we addressed a protest to the German Government against the policy of submarine warfare inaugurated by Germany, which was considered by this Government as contrary to International Law, and imperilling neutral lives and property, and declared therein in case the protest be ineffectual we would be constrained, much to our regret, to sever diplomatic relations with Germany.

Contrary to our expectations, however, no modification was made in her submarine policy after the lodging of our protest. On the contrary, the number of neutral vessels and belligerent merchantmen destroyed in an indiscriminate manner were daily increasing and the Chinese lives lost were numerous. Under such circumstances, although we might yet remain indifferent and endure suffering, with the meagre hope of preserving a temporary peace, yet in so doing, we would never be able to satisfy our people, who are attached to righteousness and sensible to disgrace, nor could we justify ourselves before our sister States which had acted without hesitation in obedience to the dictates of the sense of duty. Both here as well as in the friendly States the cause of indignation was the same, and among the people of this country there could be found no difference of opinion. This Government, thereupon, being compelled to consider the protest as being ineffectual, notified, on the 14th day of the 3rd month, the German Government of the severance of diplomatic relations and at the same time the events taking place from the beginning up to that time were announced for the general information of the public.

What we have desired is peace; what we have respected is International Law; what we have to protect are the lives and property of our own people. As we originally had no other grave causes of enmity against Germany, if the German Government had manifested repentance for the deplorable consequences resulting from its policy of warfare, it might still be expected to modify that policy in view of the common indignation of the whole world. That was what we eagerly desired and it was the reason why we felt reluctant to treat Germany as a common enemy. Nevertheless, during the five months following the severance of the diplomatic relations the submarine attacks continued in operation as vigorously as before. It is not Germany alone, but Austria-Hungary as well, which adopted and pursued this policy without abatement. Not only has International Law been thereby violated, but also our people are suffering injury and loss. The most sincere hope on our part to bring about a better state of affairs is now shattered. Therefore, it is hereby declared, against Germany as well as Austria-Hungary, that a state of war exists commencing from 10 o'clock of the 14th day of the 8th month of the 6th year of the Republic of China. In consequence thereof all treaties, agreements, conventions, concluded between China and Germany, and between China and Austria-Hungary, as well as such parts of the international protocols and international agreements as concern the relations between China and Germany, and between China and Austria-Hungary are, in conformity with the law of nations and international practice, abrogated. This Government, however, will respect the Hague Conventions and her international agreement respecting the humane conduct of war.

The chief object of our declaration of war is to put an end to the calamities of war and to hasten the restoration of peace which, it is hoped, our people will fully appreciate. Seeing, however, that our people have not yet at the present time recovered from sufferings on account of the recent political disturbances and that calamity again befalls us in the breaking out of the present War, I, the President of this Republic, cannot help having profound sympathy for our people when I take into consideration their further suffering. I would never resort to this step of striving for the existence of our nation, unless and until I, considering it no longer to avoid it, am finally forced to this momentous decision.

I cannot bear to think that through us the dignity of International Law should be impaired, or the position in the family of nations should be undermined or the restoration of the world's peace and happiness should be retarded. It is, therefore, hoped that all of our people will

exert their utmost in these hours of hardship, with a view to maintaining and strengthening the existence of the Chinese Republic, so that we may establish ourselves amidst the family of nations and share with them the happiness and benefits derived therefrom.

(Countersigned) Prime Minister and Minister of War, General Tuan Chi-jui.

Minister of Foreign Affairs, Wang Ta-hsieh
Minister of the Interior, Tang Hua-lung.

Minister of Finance, Liang Chi-chiao.

Minister of Navy, Liu Kuei-hsuan.

Minister of Justice, Ling Chang-ming.

Minister of Education, Fan Yuan-lien.

Minister of Agriculture and Commerce.

Chang Kwo-kan.

Minister of Communications, Tsao Ju-lin.

Official Documents

The following official despatches were issued by the government immediately war was declared:

Circular Note to Allied and Neutral Ministers

Peking, 14th August.

Your Excellency,

On 14th March last, the Chinese Government severed its diplomatic relations with Germany, which fact was duly communicated to Your Excellency for transmission to your Government.

As there is no hope of the Central European Powers modifying their policy of submarine warfare—a policy contrary to public international law and violating the principles of humanity—the Chinese Government has therefore declared that a state of war exists simultaneously between China and Germany as well as Austria-Hungary as from 10 o'clock a.m. of the 14th day of the 8th month of the sixth year of the Republic of China, and that all the treaties of whatever nature between China and Germany as well as Austria-Hungary are abrogated, as also all such provisions of the Protocol of 7th September, 1901, and other similar international agreements as only concern China and Germany as well as Austria-Hungary. The Chinese Government however, declares that it will conform to the provisions of the Hague Conventions and other international agreements respecting the humane conduct of war.

I have the honour to request Your Excellency to take note of this communication and to be so good as to transmit its contents to your Government.

I avail, etc.,

Letter to Austrian Minister

Peking, 14th August, 1917.

Your Excellency,

On 9th February last, the Chinese Government addressed a protest to the German Government against the policy of submarine warfare inaugurated by the Central European Powers, which was considered by Chinese Government as contrary to the established principles of public International Law and imperilling Chinese lives and property.

The Chinese Government, considering its protest to be ineffectual, later notified the German Government on 14th March last, of the severance of diplomatic relations with Germany, which fact was duly communicated to Your Excellency.

As the policy inaugurated by the Central European Powers—a policy contrary to public International Law and violating the principles of humanity—remains unmodified, the Chinese Government, actuated by the desire to maintain International Law and protect Chinese lives and property, cannot remain indifferent indefinitely.

Inasmuch as Austria-Hungary is acting in this matter in concert with Germany, the Chinese Government is unable to adopt a different attitude towards them and therefore now declares that a state of war exists between China and Austria-Hungary from ten o'clock a.m. of the 14th day of the eighth month of the sixth year of the Republic of China. In consequence thereof the Treaty of 2nd September, 1869, and all other treaties, conventions and agreements of whatever nature, at present in force between China and Austria-Hungary, are abrogated, as also all such provisions of the Protocol of 7th September, 1901, and other similar

international agreements as only concern China and Austria-Hungary. China, however, declares that she will conform to the provisions of the Hague Conventions and other international agreements respecting the humane conduct of war.

Besides telegraphing to the Chinese Minister at Vienna to inform the Austro-Hungarian Government and to apply for his passport, I have the honor to send you herewith passports for Your Excellency, the members of the Austro-Hungarian Legation and their families and retinue for protection while leaving Chinese territory. With regard to Consular Officers of Austria-Hungary in China, this Ministry has instructed the different Commissioners of Foreign Affairs to issue them likewise passports for leaving the country.

I avail, etc.

His Excellency Dr. A. von Rosthorn,
Envoy Extraordinary and
Minister Plenipotentiary of
Austria-Hungary.

Letter to Netherlands Minister

Peking, 14th August.

Your Excellency,

On 9th February last, the Chinese Government addressed a protest to the German Government against the policy of submarine warfare inaugurated by the Central European Powers, which was considered by the Chinese Government as contrary to the established principles of public International Law and imperilling Chinese lives and property. The Chinese Government declared that in case its protest be ineffectual China would be constrained, much to her regret, to sever diplomatic relations with Germany.

Contrary to expectations the submarines of the Central European Powers continued to sink neutral and belligerent merchantmen whereby more Chinese lives were lost, and the Chinese Government could not but consider its protest to be ineffectual and notified Germany on 14th March last, of the severance of diplomatic relations.

The Chinese Government still expected that the general condemnation of that policy—a policy contrary to public International Law and violating the principles of humanity—would lead to its modification but it now finds that its expectations are no longer realizable.

The Chinese Government, actuated by the desire to maintain International Law and protect Chinese lives and property, cannot remain indifferent to this state of affairs indefinitely, and therefore now declares that a state of war exists between China and Germany from ten o'clock a.m. of the 14th day of the 8th month of the sixth year of the Republic of China. In consequence hereof the Treaty of 2nd September, 1861, the Supplementary Convention of 31st March, 1880, and all other treaties, conventions and agreements of whatever nature, at present in force between China and Germany, are abrogated, as also all such provisions of the Protocol of 7th September, 1901, and other similar international agreements as only concern China and Germany. China, however, declares that she will conform to the provisions of the Hague Conventions and other international agreements respecting the humane conduct of war.

Besides telegraphically requesting the Danish Government to inform the German Government, I have the honour to request Your Excellency to transmit this Note to the German Government.

I avail, etc.

His Excellency Jonkheer Beelaerts van Blokland, Envoy Extraordinary and Minister Plenipotentiary of The Netherlands.

Reply of Austrian Minister

Peking, 14th August, 1917.

Your Excellency,

I have the honour to acknowledge the receipt of your Note of to-day of the following tenor:

(Text of Chinese Note).

In reply I have the honour to inform Your Excellency that I have taken cognisance of your Note and am waiting instructions from my Government.

I cannot here enter into the arguments contained in the declaration of war, but feel bound to state that I must consider this declaration as unconstitutional and illegal, seeing that according to so high an authority

as the former President Li Yuan-hung such a declaration requires the approbation of both Houses of Parliament.

His Excellency,

WANG TA-HSIEH,

Minister of Foreign Affairs.

The impertinence of a Foreign Minister who had received his passports writing in this strain could not be tolerated by the Government and the letter was returned forthwith.

Restrictions on Enemy Subjects

Ministerial Order No. 121, dated 14th of 8th month.

1.—Enemy subjects residing in China may within five days from date apply to the local officials for passports to leave the country.

2.—Enemy subjects who had not registered themselves in the offices of the local officials previous to the declaration of war shall be notified by the local officials to register themselves within ten days.

3.—After registration an enemy subject may, with the permission of the local officials, continue to reside in his original residence, and adequate protection will be given to his person, life, and property. Where such adequate protection cannot be provided for, the local officials may, when considered necessary, order such enemy subject to remove to a special district or locality assigned for him or order him to leave the country by providing him with a passport.

4.—In case an enemy subject ordered to remove to a district specially assigned for him or to leave the country is unable to effect the removal of his property the local officials may either take charge of such property or appoint special delegates to take charge of it. In case the enemy subject wishes himself to appoint special persons to take charge of such property the appointment shall be previously approved by the local officials.

5.—Enemy subjects residing in China shall be allowed to engage themselves in peaceful business, provided previous permission to do so has been obtained from the local officials.

6.—Enemy subjects shall be prohibited from travelling or undertaking picnics.

7.—Enemy subjects shall be prohibited from entering this country, provided previous sanction has not been obtained from the Government.

8.—All books, periodicals and newspapers published by enemy subjects shall be liable to suppression by the local officials whenever such suppression is considered necessary.

9.—These regulations shall be liable to revision from time to time.

10.—These regulations shall have force from the date of promulgation.

Trial of Enemy Subjects

Instructional Mandate No. 12.

Regulations Governing Trial of Enemy Subjects in Civil and Criminal Cases:

1.—During the duration of the War all civil and criminal cases in which enemy subjects are concerned shall be tried by Chinese Courts of Justice.

In case an enemy subject and the subject of a foreign nation are concerned in a civil case, the Consul of the said foreign subject shall, in accordance with Treaty stipulations, have jurisdiction, and the foregoing Article shall not apply.

2.—Except in connexion with crimes enumerated in Clauses 3 and 4 of Article 6 of the Draft Law of Criminal Litigation, the preliminary hearing of all cases provided for in the foregoing Article shall be conducted by the Local Procuratorate and Local Court of Justice. In localities where local procuratorate and courts of justice have not yet been established, the local officials shall refer all such cases, together with the necessary documents, to the nearest Local Procuratorate and Local Court of Justice. In Hsinkingang, Jehol, Suiyuen, Charhar and such like localities, cases shall be heard by the special courts established by the Judicial Preparation Bureaux in the Yamens of the Lieutenants-General, or by the local courts established by the said Bureaux.

Except in these special Administrative Districts the hearing of all civil and criminal cases shall be in accordance with the Law Governing the Organization of Judicial Courts and other similar laws.

3.—The detention of prisoners, arising out of civil and criminal cases, the execution of sentences in criminal cases, and the detention of prisoners

in reformatories and work-houses arising out of civil cases, shall be carried out in the new prisons.

4.—Whenever a revision of these regulations is considered necessary the revision shall be carried out by a Presidential Mandate upon the recommendation of the Ministry of Justice.

The Allied nations and America were quick to register their appreciation of China's step, and cordial telegrams were received from the King of England, from the President of France, from America and other countries. In the various foreign Government messages appears almost an identical expression of considerable importance to China, to wit, that each country will do what it can "to enable China to enjoy the position and special regard that are due to a great country." This afforded the Chinese Government great satisfaction, and will spur officials on, no doubt, to take steps which will justify the promise made. It is the first time on record that there has been such unanimity among first class powers to assist China to a higher national plane, and how the disposition to give China a chance as an equal is treated depends solely upon the Chinese themselves.

The declaration of war has stirred many officials to "make good" in some way or other. In military circles there is a desire to despatch a force to the front in France, and the Ministry of Commerce, Agriculture and Industry took immediate steps to marshal the Chinese Chambers of Commerce with the object of making concerted plans for the development of commerce and industry in the country. A circular telegram urges, among other things, an investigation to discover all the available products that can be supplied to Europe, and the inauguration of a general attempt to organize supplies and improve methods of production.

German and Austrian ships lying in Chinese ports were seized, German Banks and German Clubs were closed, and generally steps were taken to curtail the liberty of Germans and Austrians. As time goes on, no doubt German and Austrian business will be wound up and enemy nationals will be interned. This is, at all events, the wish of the Allies.

What China May Do in the War

In Assisting the Allies China can Concurrently build up Industries for her own use and Betterment in Times of Peace

Through all the months of discussion as to whether China should declare war on Germany there has been a steady undercurrent of suggestion that such a step did not actually involve making war. There has been too much disposition to think that a country might be of the war but not in it. Germany assumed, or affected to assume, that America's declaration of war was mainly of academic interest, an assumption that has been rudely upset by the despatch of troops to the front and the promptness with which vigorous measures have been taken to throw the whole force of the nation into winning the war. It is not too much to say that almost nobody has thought of China as likely to make such contributions to the Allies as would seriously affect results, and yet as the months have gone by it has become increasingly clear that the world has become intolerant of half-way measures. In the great conference that is to settle terms of peace opinion is likely to be heavily weighted by the degree of sacrifice made by each nation. China is now entitled to a seat at the peace conference and while it is to be hoped that the terms laid down for the future will be concerned mainly with securing continued peace to the world, it is inevitable that China's influence in the council will be to some extent determined by her contribution to the achievement of the right to lay down terms.

It is important, therefore, that Chinese statesmen should take careful stock not only of Chinese needs and wishes, but of Chinese resources and abilities. In the end they will win more for their country if just now they emphasize less what China wants and more what China proposes to give. For our own part we refuse to accept current belief that China's contribution to the war must necessarily be small. With proper organization and effort this country can furnish to the Allies help that may well be of first importance. Incidentally the effort and the reorganization will be of large value to China herself.

No Fear of German Wrath

We are not overlooking the moral effect that flows from the mere fact of the declaration of war. Victory will not come to the Allies until the German people are themselves convinced that their leaders have gone wrong, or until their man power and resources have been so depleted that continuance of the fighting is out of the question. If victory be won by the first means there is a ready basis for negotiating a lasting peace, for, whatever may be the present war-engendered bitterness of local

sections and peoples, the world as a whole has no deep-seated enmity toward the German people. The present course of the German Government is considered a danger to other nations which necessitates their opposition, but whenever the German people themselves see either that their policy is wrong or ineffective and become willing in good faith to meet the Allies, peace becomes possible. Victory through a war of attrition implies a defeated but unconvinced Germany, and, as a corollary, measures of repression that will make impossible any attempt to reopen the war. Evidently victory through affecting public opinion in Germany is more to be desired, and toward that end every declaration of war counts. It is unbelievable that any people which sees the whole world being closed to it, should continue indefinitely to hold that its own opinion was the only possible one. When country after country, till there are none left save those covered by German soldiers, takes action based on the belief that it is a danger to public peace and security to allow Germans the ordinary rights and privileges of friendly aliens, the cumulative effect must be to cause some heart-searching among the Germans. In this sense the action of China in declaring war has a real value. It amounts to an announcement that China neither accepts the conclusions of German logic nor fears German wrath. Faced by a growing and already nearly universal consensus of similar opinion, the thoughtful German must eventually, we believe, conclude that his leaders have been impolitic if not wrong and that a change of policy is necessary. That is, in essence, what the world requires of Germany.

Allowing full value to the moral results of China's action, it still remains pertinent to inquire whether this country cannot also render effective aid in the actual prosecution of the war. We believe that it can and should do so. In warfare the prime essentials are men, munitions, ships, and food, and at present the Allies need all four of these though not in equal degree. On the whole the Allies are probably better equipped as to munitions than any of the other items. The first tendency in most of the countries at war was to enlist men regardless of consequence, for in the end it is man-power that will determine the results. To send men to the front without providing substitutes in industry proved nevertheless a mistake. Great Britain discovered this and ordered workmen back from France into the mines and shops. Russia is suffering now from having an army that is too large in proportion to the support back of the line. There are no

workmen available to build huts for the front, so railway cars are held for officers' quarters, the Trans-Siberian is crippled, and freight accumulates at Vladivostok. America, coming late to the war, is profiting from this example and is selecting for the front the men who can be spared from industry. China, coming still later, has the opportunity not only to avoid mistakes but in part to correct those made by her Allies. China's great surplus of mobile wealth is in her man-power and the aid which this country can give most quickly and with least disturbance to local affairs will be by the further despatch of labor battalions. Already in France China is helping to win the war and even if the Chinese be employed in freight handling, road-making and farming rather than as soldiers, their contribution to the final result is just as real and necessary as that of the French and English. It is better that the Chinese should undertake these tasks to which they are already trained than that soldiers be withdrawn from the front to do the work.

All this does not argue that China should not send soldiers to the front. China can and should send both laborers and soldiers. When India and Australia send large armies to France, and Russia transports forces of soldiers both to Salonika and to the western front, we see no reason why difficulties of transport and equipment should be allowed to keep the Far East from bearing an honorable part in the conflict. Men are needed badly, and China has organized and drilled men to spare. The despatch of a few divisions to the front would not cripple the local military establishment and would give to Chinese soldiers and officers a training worth many times its cost. The country has now too many indifferent soldiers. A much smaller but better trained and properly equipped force would be a better protection against both local revolts and foreign aggression. The best training for war is in war, and there is no school of the soldier comparable to that now in session in France. All the dictates of pride and prudence demand that China place at least some armed forces at the front. The difficulties involved have, we think, been over-emphasized.

Chinese Soldiers Effective

In the matter of arms the Chinese would probably be wise to follow the American example and lay aside their own rifles for those of English or Russian type, depending on the field in which they serve. The plants in Great Britain and the United States can furnish such rifles on demand, and standardization of equipment enormously simplifies the many problems incident to assembling the troops of many nations on one field. As for instructors and such supplementary officers as would be required, France and Britain could doubtless furnish them up to the number likely to be needed for the few divisions it would be desirable to send. For such a purpose men should obviously be drawn only from the two armies that have the largest number of officers and men experienced in the actual fighting of to-day. There need be no question as to the effectiveness of the Chinese soldiers. Properly equipped and lead they are excellent. In the recent fighting at Peking much favorable comment has been passed upon the excellence with which the artillery was served and the bravery of individual soldiers. The rifle shooting was hopelessly wild and ineffective and the work of the machine gun squads was no better, but these are faults of raw troops. In marching and endurance of hardship they made good records. At the front Chinese soldiers will give a good account of themselves and they may well aid materially in winning victory at the same time that the officers and men learn lessons of first importance to themselves and their country.

Contribution of Labor Battalions

The main contribution of man-power should, however, be in the form of labor battalions. There is a wide field here for China's activities. In nearly all the warring countries there is a shortage of labor. In Russia, despite the enormous population, women are watering and icing the cars of passenger trains, and even being employed as locomotive engineers. Everywhere there is shortage of material because of lack of workmen. In the French areas recovered from Germany there are coal mines that should be reopened promptly. It has been proposed

to send a special engineer regiment from America recruited in the mining region to do this work, but America can not well spare the enlisted men for many such regiments and they will be needed in increasing numbers. Any one who is familiar with the good work done by the Chinese in the gold mines of the Rand will have no question as to the effectiveness of Chinese labor on this and similar work. Whatever objections there may be in theory or practice to the permanent introduction of Chinese labor in the industries of other countries, none of these lie against their employment as a temporary war measure. The men sent abroad as laborers should be organized under Government authority and regarded as being China's immediate contribution to the war just as the regiments of medical men and engineers sent by the United States are part of the military organization. Each country should send at once the men that can be spared and they should do the work for which they are best fitted by previous training. It is all equally necessary and equally honorable. Since the French have shown a superior genius in organizing and conducting an attack, a French soldier is doubly effective at the front. It is clearly better to support them than to supplant them.

The Making of Munitions

In connection with the second great need of the war, munitions, the prime considerations relate to the supply of metals. It is true that wood, leather, cotton, saltpetre and other materials have to be found and also that there are problems of manufacture as well as materials. The Allies, however, already have obtained the ascendancy over the Central Powers in the matter of munition supplies. They are able by superior gun fire to dominate the situation at any point chosen. Plants have already been created or converted to the work in Europe and America sufficient to furnish the rifles, guns, shells, and most of the equipment needed. Large additions are now being made in the United States, especially to the plants for building air craft. The final stages of manufacture of any of these war materials calls for both great technical skill and a thorough organization of industry not easily improvised. In France, instead of building new munition factories or attempting to make completed articles in any plants converted from peace work parts only were made in any one factory, the Government arsenals being used as assembling plants. This scheme of manufacture would seem capable of application in China and perhaps through native contractors and the various government arsenals important contributions can be made to the war supplies of the Allies even if it prove uneconomical to make completed guns or shells.

There probably are other specialties that can be made here easily and cheaply. German prisoners of war in Russia are even now being furnished with overcoats made in China. The heavy wadded cotton clothing worn in the north can be made here easily and cheaply and with some adaptation as to cut and style affords an excellent substitute for the warm woollen overcoats for which there is not enough wool to be had. Consideration will doubtless suggest a number of things which can be made to advantage for the Allies in Chinese workshops, but these will mainly fall outside the domain of munitions proper. In that field the essential thing is to make sure of a continuance of the supply of raw materials to the factories already controlled by the Allies. In part this may be done by direct supply of material and in part by developing local sources where China now depends on other countries and so lessening the drain on the general supplies.

Of certain metals China is already making heavy contributions. Before the war only well-known British brands of antimony were quoted in New York. Now Chinese and Japanese brands have taken their place. Much of the antimony shipped by Japan comes from China and it is not too much to say that in supplying this metal Chinese mines occupy a dominant position. The supply seems adequate to all demands and, except that a centralized and systematic buying policy would probably be to advantage, there is little to be suggested here. Of tin, also, China is an important producer, ranking usually third in output though not in shipments, for a considerable part of the tin produced in China is consumed here. It

seems entirely probable that the output could be increased if the business were better organized. The deposits are in the main small, near the surface, and well adapted to Chinese methods. The difficulties arise from the multitude of local exactions to be met and the number of individuals to be satisfied before the tin reaches the market as metal. There are a number of Chinese who have grown wealthy as tin producers in the Malay States and who understand the tin business thoroughly. If the Chinese Government would take hold of the situation with a firm hand, some one or more of these men ought to be able to increase production and reduce marketing costs and so furnish the much needed supplies to the great benefit of both the Allies and China. This is a matter which requires determination and the exercise of authority rather than the introduction of foreign money or technical skill, though results might be facilitated by using both. There are a number of minor minerals and metals of which it is possible that the output from China might be rapidly increased. Tungsten is known to occur in a number of districts and the mode of occurrence is one to which Chinese methods of mining are admirably adapted. Manganese is in great demand and careful search would perhaps develop deposits so situated as to permit shipment abroad. It almost goes without saying that any potash salts that can be found will be of great value while a good area of phosphate rock adapted to the manufacture of artificial fertilizer, by increasing the food, would be equivalent to a reinforcement of many men.

Lead and Zinc from China's Ores

Lead and zinc are two metals produced in China which are largely used in war work, and both of which have greatly increased in value since the war began. The minerals of both metals occur in China and in each case it should be possible to stimulate production. In general the individual deposits are not large as such things go elsewhere and the ores are complex in character. Before the war the Germans were meeting the situation by central ore dressing and sampling plants and by a scheme of purchase that involved advances to the ore producers. Since they were forced to quit the Japanese have succeeded to part of this business, but in the Yangtze valley they have a heavy handicap of prejudice to overcome. In part the German plants stand idle and there are stock piles and dumps containing several thousand tons of ore that can be dressed to a merchantable product. In the case of zinc particularly the matter is complicated by the distribution of the world's smelting capacity and the disinclination of the smelters to run their furnaces on low-grade ores so long as material yielding larger returns is available. The shortage of sulphuric acid, however, secures for sulphide ores extra consideration and it should be possible here to increase China's yield, though the matter is by no means simple. In Japan zinc furnaces have been built beyond the capacity of Japanese mines. Ore is now being brought from Australia but in view of the serious shortage of shipping throughout the world it would seem much more economical to draw ore from China. Here is one place where co-operation between Chinese and Japanese would seem to be to the best interests of both. Since the world already has an excess of zinc smelting capacity, it requires no prophet to foresee hard times for zinc smelters when the period of high prices ends. This with the complexity and inherent difficulty of introducing zinc smelting in small units would operate against the success of smelters built in China.

In the case of lead the situation is different. While the Chinese deposits are individually small it happens that the metal is adapted to small units of production. A large lead mine or a large lead smelter naturally derives advantages from its size and can produce lead cheaper than a number of small units. The advantage is not, however, sufficient to put the small plants out of business even at normal prices, and at present small lead mines and furnaces all over the world are doing well. The building and operating of such plants is by no means beyond either the capital or the skill of the Chinese and since lead is a heavy metal and so occupies small space it forms very desirable freight. With proper effort lead production from Chekiang to Szechuan can be stimulated and China can contribute considerable additional amounts of a metal which is in especial demand just now. Since, furthermore, virtually all lead contains some silver there would be an additional gain in a most desirable direction.

Copper Outlook Less Encouraging

Copper prospects in China are much less encouraging. While copper occurs in many provinces, so far no single deposit situated with reference to transportation so as to permit development along modern lines, has been found. All, so far brought to the attention of competent examining engineers, are either too poor in grade, too small, or too uncertain as to extent, to warrant expenditure of the large sums necessary to make a modern copper mine. There are small mines now being worked and possibly a suitably organized ore-buying agency would stimulate production, but as a rule copper ores are not sufficiently rich to permit extensive shipment except where gold or silver as well as copper are found in the ore. It is not improbable that copper mines will be found in less known parts of China. Indeed, there are promising prospects already known, but good transportation is essential to any large copper production and that forbids hope of any considerable increase in copper output at present.

Coming now to the metals which are really of most importance, iron and steel, the situation is somewhat different. There is a world shortage of both, but especially of steel. China possesses but one steel-making plant, that at Hanyang. At Panshihu, in Manchuria, pig iron is made, and in Shensi and elsewhere native furnaces turn out a small amount of cast and malleable iron. The combined output of these furnaces is not sufficient to supply the peace requirements of China aside from the fact that the pig iron made at Panshihu and a large part of that made at Hanyang is earmarked for Japanese steel works. Unless and until Chinese furnace capacity can be radically increased it is hopeless to think of China, despite considerable reserves of iron ore and coal, being of any material assistance in supplying steel. Nevertheless it is not impossible that the output should be increased. Additional blast-furnaces are being built at Panshihu, and new stacks are being erected by the Japanese at Anshan. This work should be pushed at the maximum speed. Several new steel plants are being built in Japan and while they are all small they will help, and in the general interest they should be given a supply of pig iron as soon as they are ready. At Hanyang there is a large modern blast-furnace that has now stood idle for nearly two years despite insistent demand for its output. It is reported that some electrical machinery needed in connection with an ore unloading plant can not be had because of war conditions, but surely there is some way to overcome this difficulty. In no other land would a furnace of that size and state of completion be allowed to stand idle. Whatever may be the matter and whoever may be to blame the furnace should be put into blast. The country needs the iron and with the steel-making plant available proper driving will permit the absorption of the pig iron. At Tayeh, too, it is announced that in co-operation with the Japanese two blast-furnaces are to be built. While this announcement has been made repeatedly through several years, nothing very tangible seems to have been done. It is now reported that the furnaces will not be ready for two years and that the delay is due to difficulties in securing material and machinery in America. However, in the interval since the announcement was first made many furnaces have been built in America and shipped to distant countries. Large copper smelters have been erected even in Central Africa using American machinery, and the difficulties in the way were enormously greater than in China. The Tayeh furnaces are past due and the public may well ask why they are not now turning out iron. Have public resources in the form of iron ore been placed in private semiforeign hands merely to be withheld from use?

Farther down the river there are iron deposits originally conceded to the British, but now after many vicissitudes in Japanese possession. There has been much talk of development but little has been done. We may be of two minds as to the policy or impolicy of the Chinese granting iron ores to the Japanese but the ore deposit having been granted there can be no question that the present situation demands most vigorous work directed toward opening it up and the making of iron and steel. To this end everything should be bent. Japanese publicists and apologists have put forward the plea that Japanese furnaces must have Chinese ore because of the poverty of resources of the Island Empire. It is not our purpose now to argue or even to question that point, but we would insist that only the most energetic

development will justify the plan. The ore in the ground is worth nothing to anybody. When the Chinese meet the Japanese to the extent of furnishing the ore it is clearly up to the Japanese to waste no time in converting it into metal. If the Japanese are to occupy the coveted position of technical advisers and directors of Chinese enterprises, they must make good promptly with such enterprises as come under their control.

Steel Plants a Peace Time Asset

Whether it is wise to attempt development of new enterprises in iron and steel manufacture at this time, and if it be determined to be wise the methods to be followed, involve other questions. There is a good saying that the way to ensure a short war is to prepare for a long one, and it is worth remembering that in the matter of building up iron and steel production in China preparation for war is also preparation for peace. China needs more steel for many purposes and must have a larger supply if Chinese industries are to be modernized. At the very foundation of any program either of industrial development or even for permanent suppression of banditry and periodic revolts, must be placed improvement of transport facilities. China needs more railroads and more ships, but to build either necessitates provision of steel in large quantities. The mill that rolls steel bars in war time can make steel rails in peace time. The structural shapes demanded for building a warship are not greatly different from those needed for building merchant vessels and bridges. Any war funds therefore invested in steel plants would be represented by 100 percent salvage at the end of the war, and money spent on them would be permanently and beneficially invested. Aside from what immediate war service the plants might render, or the moral effect produced by their mere building, standing as they would as a tangible evidence of the determination of the country to fight so long as might be necessary to win, the steel plants would in the end render even more important services in peace times and should not only pay for themselves but earn a handsome profit. While therefore no large steel plant could be erected and brought into operation in time to supply material if the war be as brief as is hoped, a start should none the less be made as an evidence of determination of the country, a substantial preparation for a long war if it comes, and as the best of preparation for facing the problems that will follow the war.

After having seen a considerable portion of her heritage of iron ore pass into the hands of private companies, in part foreign or semi-foreign ownership, China has wisely determined to reserve for national uses the ore remaining and any new steel works must therefore be a Government enterprise. It should be designed primarily to furnish steel for the arsenals and for other Government projects, such as railroad extensions and renewals, but also so built and equipped as to supply the steel needed for Chinese industries in general so that these may be independent of foreign supplies and indirect control. Japan is just now receiving a lesson on how such indirect foreign control works. Japanese ship yards have been doing a large and highly profitable business building ships of imported material. First England was forced to reserve her steel supply for her own wants and now the United States has found it necessary to lay an embargo on steel shipments. As Japanese sources have not yet been developed sufficiently to render the country independent, ship building must be curtailed unless exception be made through agreement that the ships built with the steel furnished from America will be as available for war work in the areas needed and at rates that commend themselves as fair, as though built in the home yards. China has the raw material Japan lacks and equal supplies of labor. With proper organization the country can be made truly independent in steel production, a matter of prime importance in both war and peace.

American Money to Build Plants

Part of the money raised for war purposes, or a special industrial loan floated for that purpose, should therefore be devoted to building a large modern iron and steel works under Government control. We have no doubt that a special loan for this purpose could be placed in the United States where the people are much more accustomed to industrial than to

Government bonds. Under present conditions of the world's finances any large sum of money used here must come from that country and it would seem the part of wisdom and economy to deal direct instead of through a third party as broker. We believe that America is sincerely friendly to China and a loan that would serve at once for war preparation and would work toward making China economically independent would appeal keenly to American sentiment. At the moment also the United States is the only country which could supply the expert direction and the machinery necessary to the erection and initial operation of the plant. Even from that country the machinery could not be exported save through the friendly offices of the Government, but there is no reason to doubt that if the matter be properly presented this interest could be secured. At best it will require considerable time to make the necessary detailed plans and to build the engines and other equipment. This is all the more reason for making a prompt start. The final benefits are sure and the quicker a beginning is made, the sooner the profits will begin to accrue.

The third great need of the Allies is shipping; indeed at the moment it is the greatest need. China has shipyards favorably situated for expansion, but lacks ship-building material. When the steel plant which we have already suggested should be built is in operation ship plates will be one of the large items in its output. With cheap plates furnished and with Chinese labor there is every reason to anticipate a considerable ship building industry. Just at present that is out of the question though effective work toward that end can be undertaken and China is as well situated to build with imported plates as is Japan. It has recently been suggested that the Chinese yards might to advantage undertake a part of the wooden ship building program launched by the United States, using Philippine timber. China has many workmen accustomed to working in wood and there would seem to be distinct possibilities along this line. If the Yangtze is eventually to class with the Clyde and the Delaware in shipbuilding, advantage should be taken of the present emergency to build yards, assemble men and materials and to perfect organizations.

Food Supplies Being Investigated

Food is one of the things of which the world is facing an increasing shortage. Taking many men from the farms and putting them into the trenches has naturally influenced the output. Interruption of normal trade relations has done even more and in many places the apparent shortage of food is really a shortage of transport. There is none the less an actual deficiency and as the years of war have gone on the accumulated stocks of canned goods and staples has been drawn down nearly to a vanishing point. Except of tea and soya beans, China is not normally a large exporter of food, though there are smaller but important trades, such as that in meat. Doubtless some additional food can be exported without local privation though the economy of a Chinese household is proverbial and cheap food is essential to life here. The American Red Cross is already studying this phase of the situation and doubtless what can be done will be done. It is too large a topic for incidental discussion and must be left for the present.

Sufficient has probably been said to make it clear that China's contribution to the cause of the Allies may be both prompt and considerable and that in any long-continued contest her share in achieving success is not likely to be unimportant. Immediately this country can supply labor battalions and as many soldiers as transport facilities make it wise to send. In a very brief period specific articles or parts of articles can be manufactured in quantity, important contributions made to the supply of important metals, and in time part of the burden of manufacture of the basic metals iron and steel can be taken over. At least a few wooden ships can be built promptly and in time a big ship building program may be carried out. Some food can be supplied at once and with care regular supplies of a few articles may be assured. In the meantime in China as well as elsewhere people would do well to remember that every economy helps. This is truly an instance where a penny saved is a penny earned, since what the world of the Allies faces is an actual shortage of material.

Short-sighted Chinese

Dr. G. E. Morrison's Unequalled Library of Books on China is allowed to leave China for Japan

Widespread regret has been expressed throughout China at the transfer from Peking to Tokyo of the library of Dr. G. E. Morrison. Formed with great care and with trained intelligence the Library has developed into the largest and most comprehensive collection of books dealing with China and the Chinese in every language ever gathered together. It now passes into the possession of Baron Iwasaki, a Japanese millionaire graduate of Cambridge University, who has undertaken to house the collection in a suitable building associated with the Japanese Imperial University, with the Imperial Library or with some institution still to be erected devoted to Oriental learning. In its new home it will continue to bear the name of its founder, will remain intact, and will be open as it has been in the past to all serious students.

The purchase of a library of this kind by the Japanese emphasises one of the characteristics so markedly distinguishing the two eastern neighbours. No one has ever had occasion to reproach the Chinese with any unnecessary love of the acquisition of knowledge. Rarely if ever used by the Chinese in Peking, the library, it may be taken for granted, will in Tokyo attract students from all parts of Japan. It will be put to use to the advantage of the country which has become its possessor. It will be used as Japan uses her foreign advisers and not as China is wont to do, who engages foreign advisers but rarely and then only with reluctance condescends to make use of their services.

With brains as brilliant as any in the world, with powers of attraction even greater than those of the Japanese, the Chinese have never realised as the Japanese have done the imperative necessity of the acquisition of knowledge.

When the Japanese send a commission to study abroad, every member of the commission is an expert selected with scrupulous care because of his special qualifications and his ability to acquire knowledge that will be of service to his country. The information brought back is always carefully prepared and the fullest advantage is taken of it. This has never been the case in China. Commissions sent abroad are invariably selected by favour and not by ability. An official is sent to London to study the English constitution knowing not a word of any other language than Chinese and acquiring not a single word of English throughout the two years of his investigation. A commission despatched abroad to study foreign navies wholly ignorant of naval matters costs the price of a battleship and brings back no report other than a literary account of the courtesies shown to the Mission by the different shipyards. A financial commission sent round the world did not contain among its senior members a single person who could speak any other language than Chinese and did not contain in its whole staff a single person with any knowledge whatever of modern finance. Yet the cost of these expeditions is something astounding.

For such missions as these money can always be found, but for the acquisition of a library containing treasures of learning invaluable to all Chinese students, no money has yet been available.

In all China not one library has been formed by the Chinese of books in foreign languages either dealing with their own country or for that matter with any other country or any branch of human knowledge. Under the enlightened Mr. V. K. Ting, the Director of the Geological Survey of China, a beginning has been made in the collection of Geological works, but the library of the Foreign Office is deficient even in essential books requisite for intelligent conduct of international relations.

Writers dealing with widely different subjects have repeatedly drawn attention to the value of the library that is now being transferred to Tokyo.

Twelve years ago the late Mr. Archibald Little, in the introduction to the most important of all his works, "The Far East," expresses his "thanks to Dr. Morrison for allowing him access to his truly unique collection of books on China."

Later we find the learned authoress of "The Ceramic Wares of the Sung Dynasty," Mrs. E. T. Williams, acknowledging that "heartily thanks are due to Dr. Morrison for the free use of his unique library, which we believe contains practically all the books and pamphlets that have been published in English and French on the subject of Chinese pottery."

Again it is Mr. Sowerby, China's best known naturalist, who testifies in his "Fur and Feather in North China" that "Dr. Morrison by allowing me access to his magnificent library enabled me to identify and verify the names of the mammals of North China."

While a still greater authority than all these, Dr. Eliot, the distinguished President of Harvard University, writing after his visit to China in 1912 on "The Means of Unifying China" says: "One of the most difficult problems before the Chinese government to-day is, how to obtain disinterested foreign advisers for its service. It is encouraging that they have found one suitable adviser, Dr. G. E. Morrison, a great friend of the Chinese people, a liberal, open-minded British subject long resident in China, the collector of a unique library of books on China and himself master of the library."

For such a library to be removed from China, even though it is still to remain in the Far East, is a loss indeed to the Chinese and one to be deplored. But the loss must be made good. Another library must be formed in its stead. This is essential. No Chinese can pretend to write with any authority upon the resources of his own country, upon its mineral products, its flora and fauna, its means of communication, its history, its international relations, its possibilities (which are infinite) of future development, who is denied access to a library of foreign books such as were assembled by Dr. Morrison. While it would not be possible now to form another special library of equal scope it is well within the bounds of possibility to form a library on the same lines as Dr. Morrison's and working with the bibliographies now available to form a collection that would be a credit to the capital and a lasting service to Chinese students.

To the catalogue of his library, which covers more than 2600 typewritten pages, Dr. Morrison has written an introduction which gives the reason of his undertaking. He felt the need of books on China! So must the Chinese feel the need of such books, and so must the Chinese ultimately supply that need. We quote from the introduction:

"The following Catalogue records the result of an effort, sustained during more than twenty years, to form a comprehensive collection of books, papers, pamphlets, prints and engravings dealing with the Chinese at home and abroad and with China and her Dependencies past and present in every subject in every European language.

"Need forced me to form such a library. On my arrival in Peking in March, 1897, to take up the post of Correspondent of the *London Times*, I found here no library worthy of the name; there were only scattered collections of books, more or less scanty, in various private hands. No library was accessible to a serious student. No serious library existed. There were

no books on the Botany, Natural History and Geology of China; no attempt had been made to form a collection of works on any special subject dealing with China other than the missionary question. Sir Robert Hart had a few books—presentation copies mostly—of works of travel, and a meagre collection of Blue Books and Consular Reports. At the old Customs Mess there were a few books, including a set of the Chinese Repository (cut down and cheaply re-bound) formerly the property of General Gordon. Some of the missionaries had a number of books, dealing mainly with the language and with missionary enterprise in China.

"At one time Mr. W. N. Pethick, the scholarly American for so many years in the service of Li Hung-chang, in Tientsin, had formed a considerable library of English books with a few French books on China, but having decided to return to America he left his collection behind to be sold by a bookseller in Shanghai, who, ignorant of their value, dispersed the sets, selling them even by odd volumes. When later Mr. Pethick

"From the Catalogue an estimate can be formed of the extent of the collection. Eleven languages are represented by considerable numbers of books, namely, English, French, German, Russian, Dutch, Latin, Italian, Spanish, Portuguese, Swedish and Danish, while there are a few works in Norwegian and some in Hebrew, Finnish, Polish, Turkish, Hungarian and Welsh.

"Among the books are many which not directly belong to China. They are books dealing with Central Asia and Siberia, with Japan, Siam, Indo-China and the Straits, and a few on the Philippines, a study of which has often been essential to the student of the China question. Some deal with sport in India, Burma, Siam and Ceylon. Instead of discarding these I have included them in my Catalogue. For this reason my library is described as an Asiatic Library, and not simply as a library of books on China." In the library beside an early edition of the first volume is placed the first edition of the second volume of Robinson Crusoe, who, it will be remembered,



TWO VIEWS OF THE MORRISON LIBRARY, THE WORLD'S LARGEST COLLECTION OF BOOKS ON CHINA, WHICH NOW GOES TO JAPAN

returned to the service of the ex-Viceroy, who had in the meantime been transferred to Peking, he gathered together in Shanghai the unsold remnant of his collection and brought it with him to Peking, storing it in the temple known as the Hsienliangssu. It is noteworthy that with the exception of my books and of this remnant of Pethick's library nearly all other foreign books in Peking perished during the siege of 1900.

"On my arrival in Peking in March, 1897, no books being available, I began to collect systematically, and at the time of the Siege I had formed what was regarded as the most comprehensive collection of books then existing in North China. In those days books on China were at a discount. Compared with the prices that had to be paid for them later they cost a mere song. Only in after years, after the war between Japan and Russia, did the American libraries turn their attention seriously to China, and as soon as they entered the field and became purchasers prices increased enormously. By that time the foundations of my library had been laid. Most of the sets of magazines had been secured intact, and the difficulties forestalled which now confront even the richest libraries in forming such sets with any approach to completeness.

in his "Farther Adventures" made the journey across China from Macao through "Nanquin" to the "Yamour." First editions are also placed on the shelves of such works as "The Confessions of an English Opium Eater" and "The Citizen of the World" together with the rare broadsheets of Walpole which suggested the latter work.

The catalogue of Dr. Morrison's library is arranged under authors. Each book is carefully entered and imperfections noted. These imperfections are recorded by a system which aids in the acquisition of perfect copies.

In the Library itself the books are arranged according to languages, according to subjects, and chronologically. In their arrangement the necessity for affixing labels to the books has been overcome, and after a brief experience the books can be found without difficulty.

Almost every conceivable subject dealing with China and the Chinese from Philosophy to the arrangement of the ornaments in a woman's hair has been the theme of a book, a pamphlet, or a magazine article. Henri Cordier's *Bibliotheca Sinica*, a catalogue on books of China enriched with invaluable

bibliographical notices, extends to four ample volumes and is still incomplete.

Pressure on our space forbids more than a few passing references to some of the more interesting sections of the library under notice.

Printed books on China in foreign languages cover a period of 440 years. The earliest of all is the work of Marco Polo, which, dictated to Rusticien de Pisa in a French patois in 1299, when the two were prisoners in the Pisa gaol, was first printed in a German translation in 1477. Five perfect copies only of this work are known to be in existence, three of which are in Great Britain in the British Museum, the Althorp Library, and one formerly in the Crawford Library. The next edition was in Latin published in 1485 by Gerard Leeu, of Antwerp. A copy of this edition was taken by Christopher Columbus in his voyage to discover the new world. With his marginal notes still clear and distinct this copy is preserved in the Columbian Library in Seville. A beautiful copy of this Latin edition is in the Morrison library, as are a multitude of other editions in many languages.

An extraordinary number of dictionaries are to be found in the library, including copies (one dated 1724) of the Manuscript Chinese-Latin dictionary of the learned Italian Franciscan Basilio Brollo de Gemona, Apostolic Vicar of Shensi Province, who completed his work in 1705, only a year before his death in Sianfu. Manuscript copies were made of this dictionary, how many is not known, and were eagerly sought for by the missionaries in China. Copies found their way to Europe. From the copy in the National Museum in Paris Christian de Guignes built his gigantic Chinese-Latin-French dictionary—a monumental plagiarism. De Guignes had no knowledge of Chinese. He had been Resident of France in Canton and having lived in China was presumed to know the language, a presumption not always justified even in these days. The dictionary published by "Order of Napoleon" was completed in 1813, the French being a translation of the Latin. Every error in the manuscript was repeated in the dictionary.

The first Chinese-English dictionary was the encyclopaedic work of Robert Morrison, who arrived in China in 1807, and whose dictionary in six volumes was published from 1815 to 1822. An uncut copy of this fine work is in the library. Popular belief ascribes to Robert Morrison the distinction of writing the first dictionary in Chinese, but this is incorrect. On his arrival in Canton Morrison was presented with a manuscript copy of Brollo's dictionary. He also had the advantage, which cannot be over-estimated, of the friendly assistance of Sir George Thomas Staunton, an excellent Chinese scholar who when a boy had accompanied his father on the Macartney Mission to Peking, had later returned to China, and at the time of Morrison's arrival was in the Honorable East India Company's service in Canton. In 1810 he published his famous translation of the Chinese Penal Code. Readers of the account of the Macartney Mission will remember that young Staunton, then a boy of 13, was praised by the Emperor Chien Lung for his facility in speaking Chinese.

Chinese Dictionaries have been made in nearly every modern language—a monumental work in Dutch by Schlegel, and another in Russian by Popoff, being among the most learned. Excellent copies of these are to be found in the library.

A remarkable collection of the Macartney Papers, together with the original sketches in two portfolios made by W. Alexander, the artist of the expedition, are also in the library. These sketches were reproduced in colour in a volume entitled "The Costumes of China," that had a wide circulation to the early part of last century.

Another artist, George Chinnery, whose name will always be associated with China, is well represented. The library contains two portfolios of his sketches made in Canton, Hong-kong, and Macao, between 1822 and 1847.

In books dealing with Chinese Art, in Art Catalogues, in books on the natural resources of China, its geology, botany, zoology, its archeology, even its conchology, the library is unusually rich. The writer can recall the time when he has seen working in the library the Chinese director of the Geological Survey of China, the Swedish Director-General of the Geological Survey of Sweden, a well known Dutch Engineer in the service of the Royal Dutch Petroleum Company, a distinguished Canadian who had organised the Conference at Toronto in 1910

met to discuss the coal resources of the world, French Scientists, American Archeologists, and travellers, students of religion, and others, many of world-wide fame, all availing themselves of the treasures of the library so easily accessible.

A section of the library is devoted to the literature in Latin, Italian, French and English that grew so abundantly round the famous controversy on Chinese rites—a controversy which began in 1643, when Morales, the Dominican, formally accused the Jesuits before the congregation of the Propaganda of "gaining so-called converts by an unworthy compliance with Chinese idolatry and superstition," and which was finally closed by Pope Clement XI in favour of the contention of the Dominicans in 1715.

But we have drawn sufficient attention to the resources of the library now lost to China. What has to be done now is the creation of another library to take its place in Peking to consist of the foreign books dealing with China to be formed by the Chinese for use of Chinese, for no Chinese in the future can pretend to have any adequate knowledge of his own country and its infinite resources who has no access to a collection of

books written by foreigners and embodying the researches of foreigners in this Great Republic.

We cannot close this inadequate notice of such a splendid collection of books without expressing on behalf of the thousands who have been able to use the library their warmest appreciation of the unfailing courtesy of Dr. Morrison. Always he was ready to lay open his treasures to anyone with a legitimate excuse for investigation, and invariably was he ready to assist them in their work by drawing upon his own great fund of knowledge of China and the Chinese. Profound specialist or merest tyro were given equal facilities, and while the founder of the library was always pleased to see foreigners freely availing themselves of it, he deeply regretted to see how little interest the educated Chinese displayed in the works about their own country. Those who have tested the value of the library will be the ones who will grieve most at its going. It has been of inestimable value and assistance to many—scientists and scholars—and it may be some compensation to Dr. Morrison to know that his consistent kindness in throwing open its doors is appreciated by them more deeply than words can express.



ONE OF THE ALCOVES IN THE MORRISON LIBRARY

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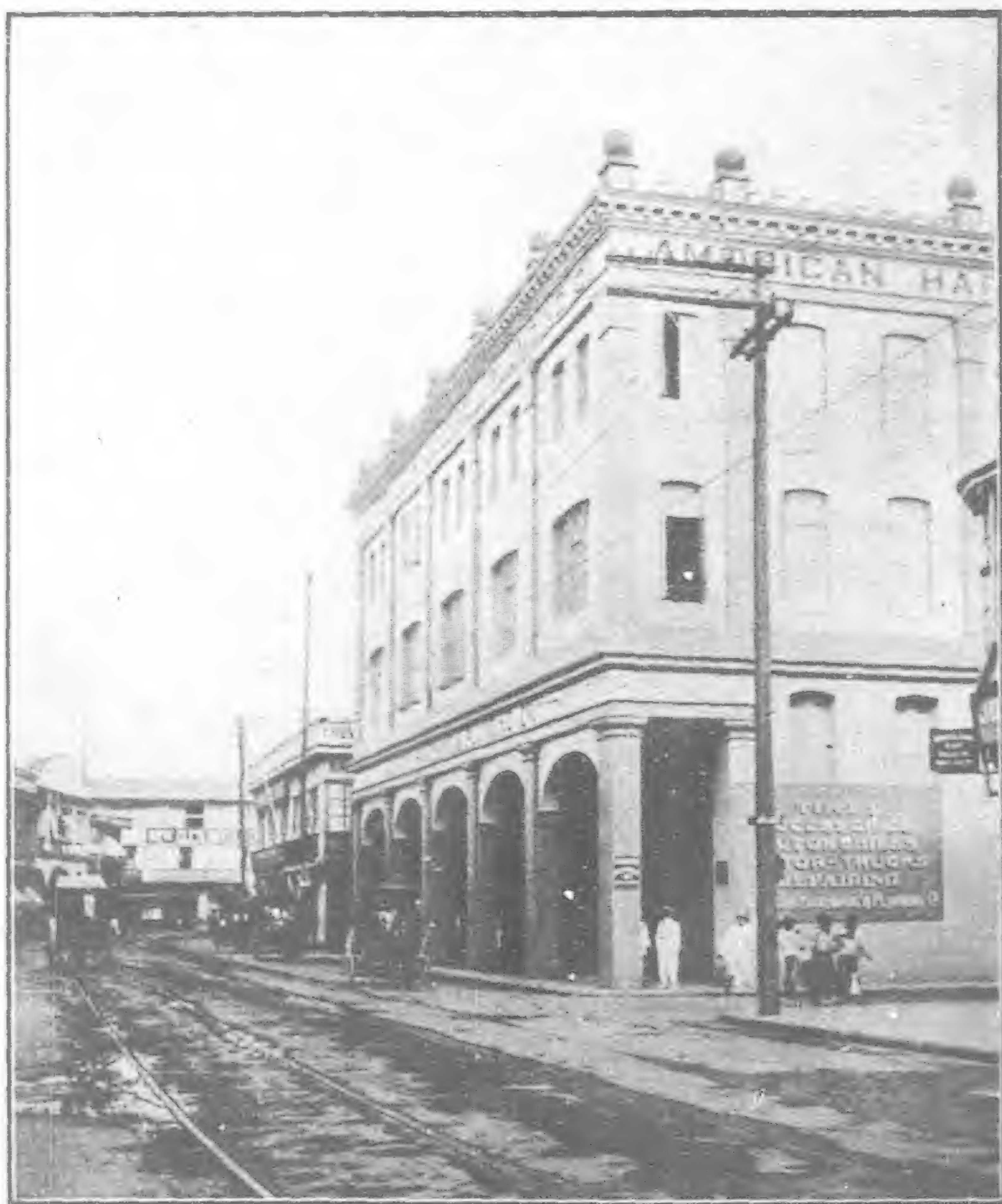
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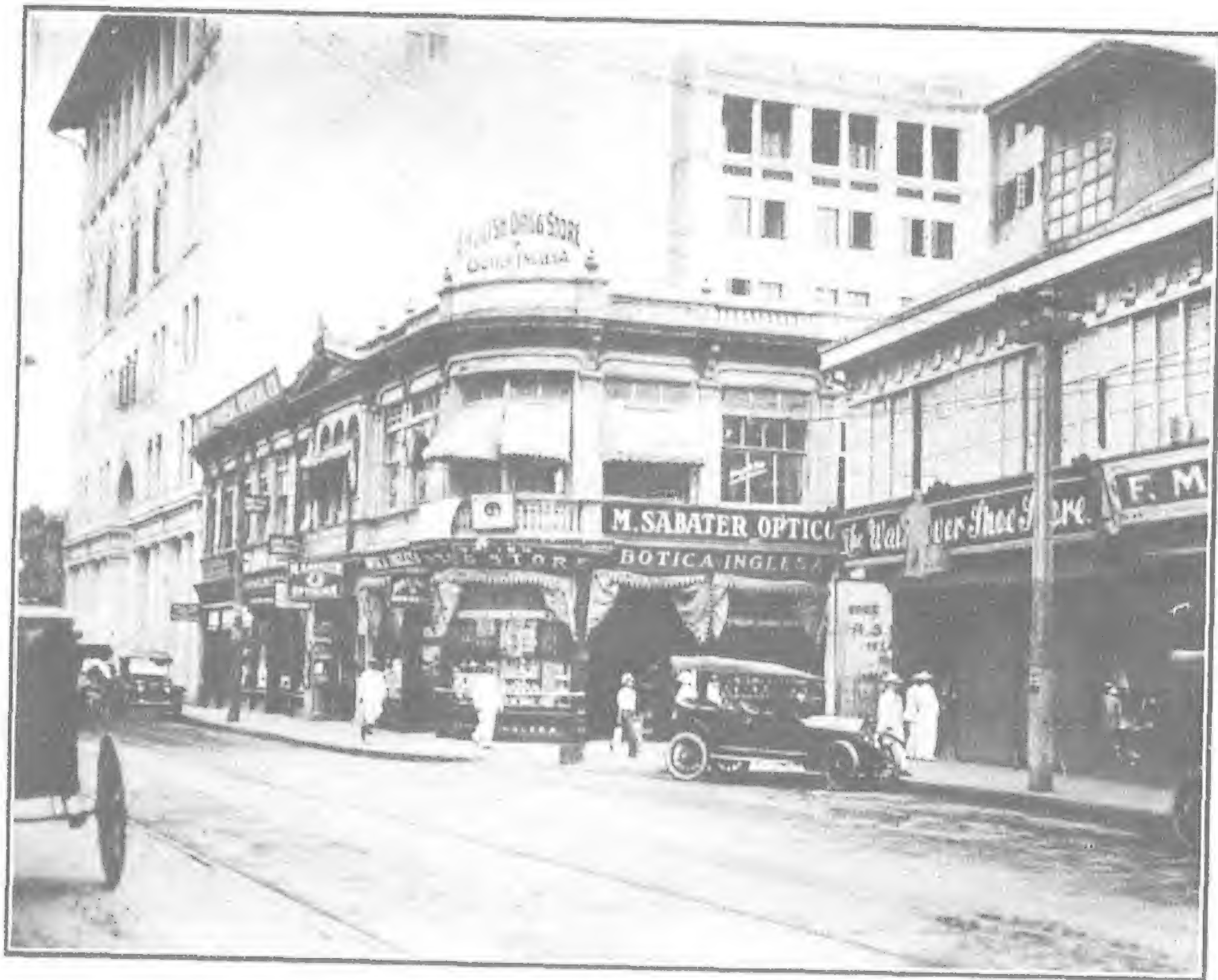
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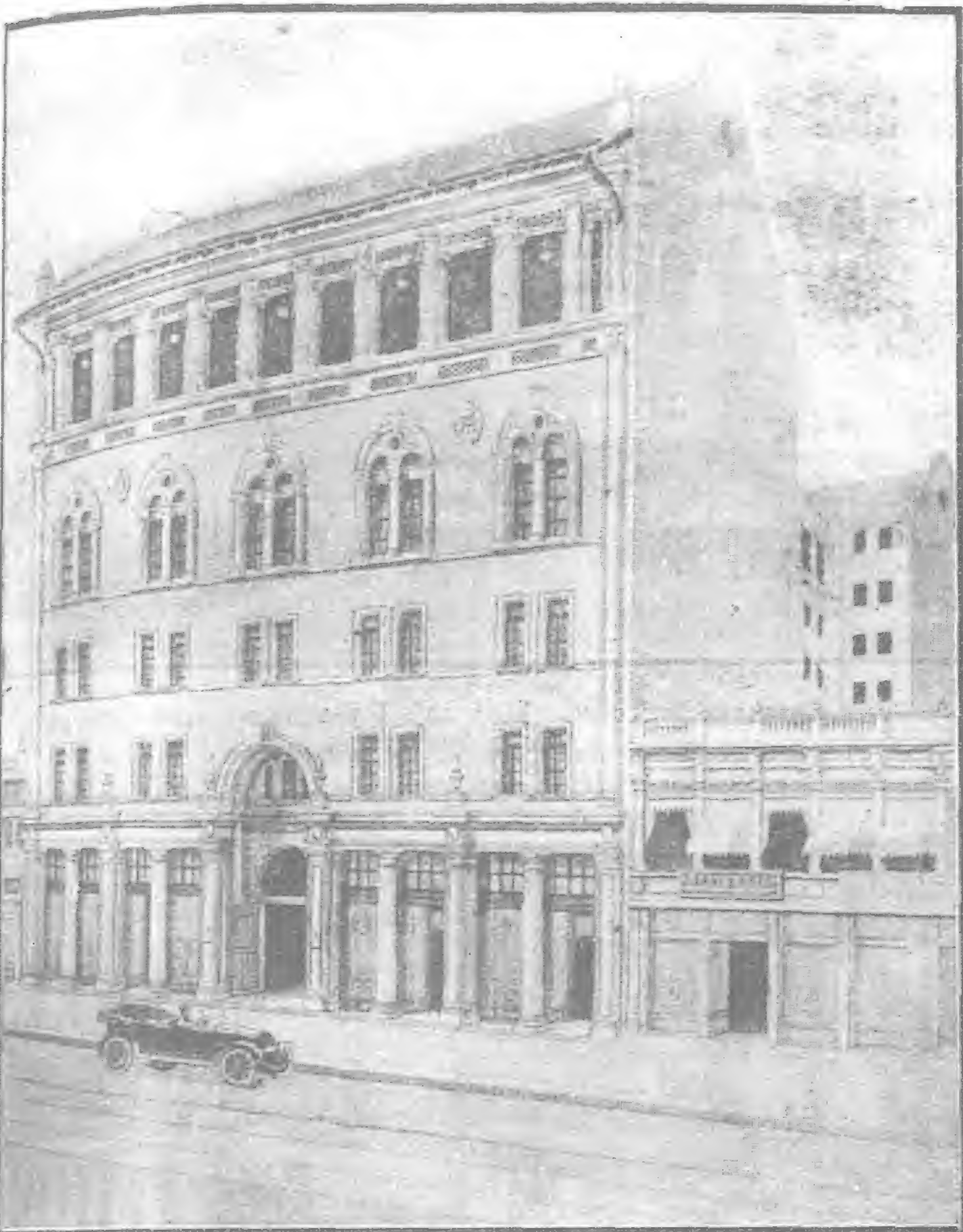
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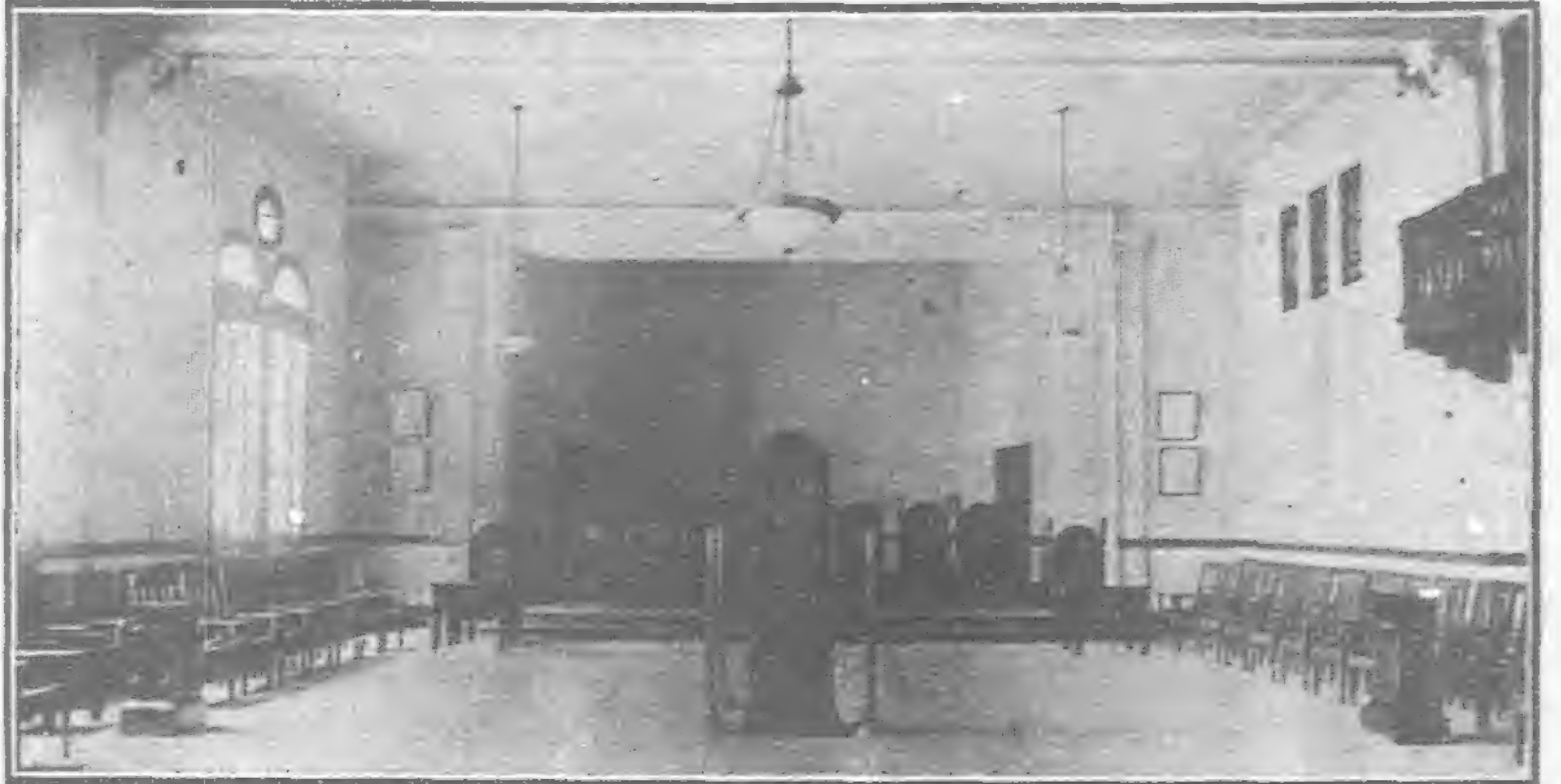
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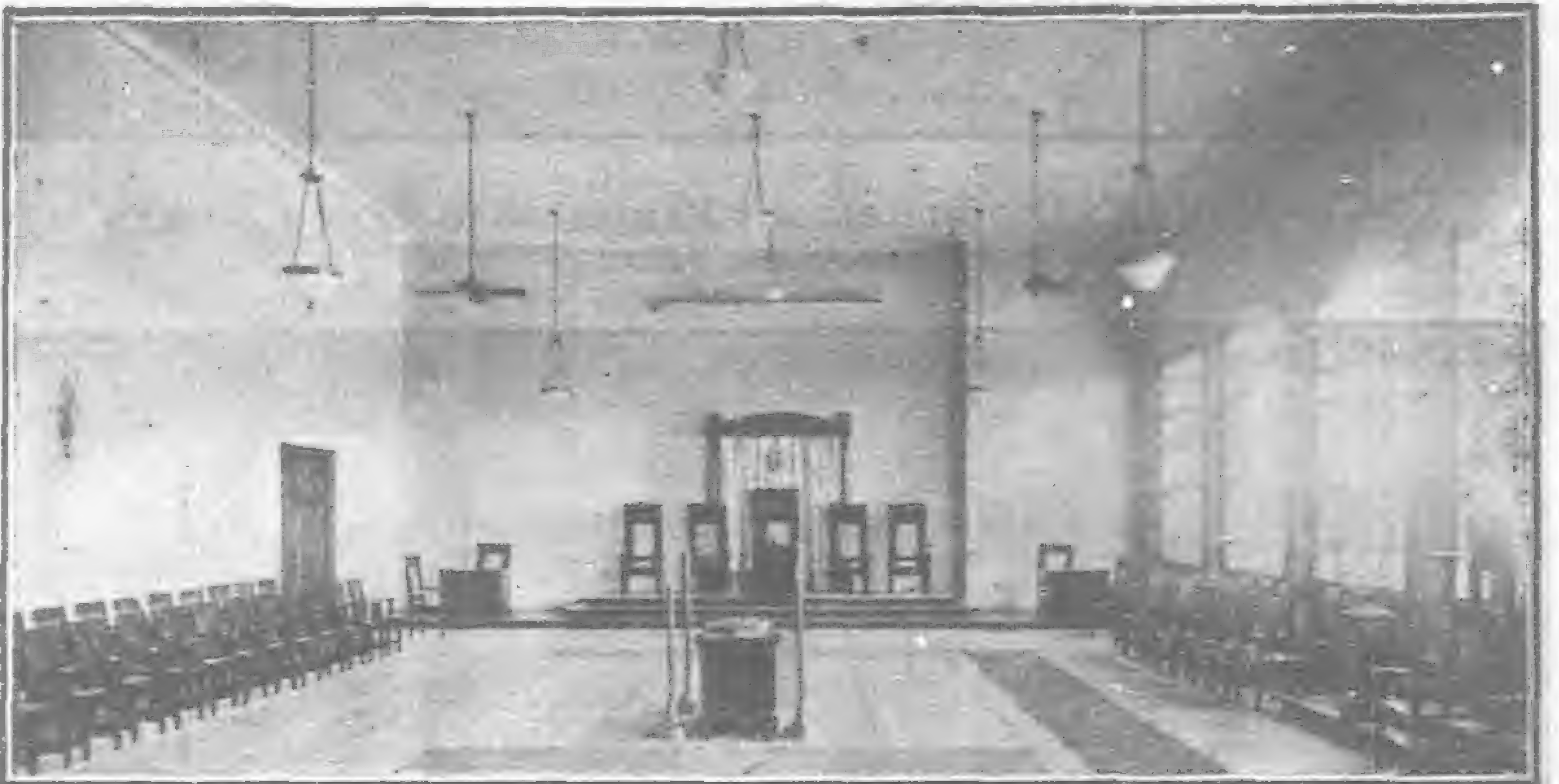
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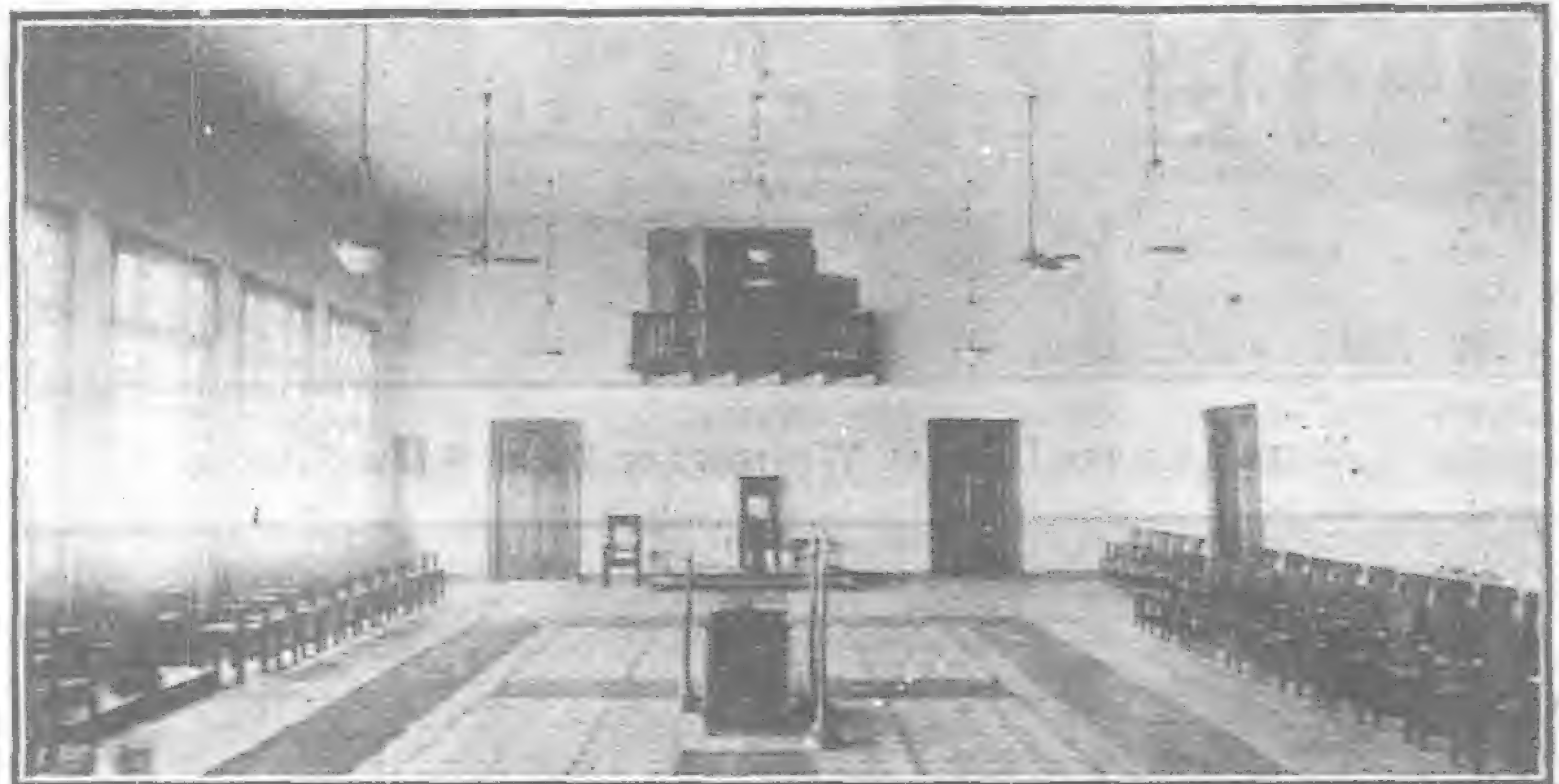
FRONT ELEVATION OF MASONIC TEMPLE



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TABLET COMMEMORATING THE FIRST USE OF THE NEW MASONIC TEMPLE



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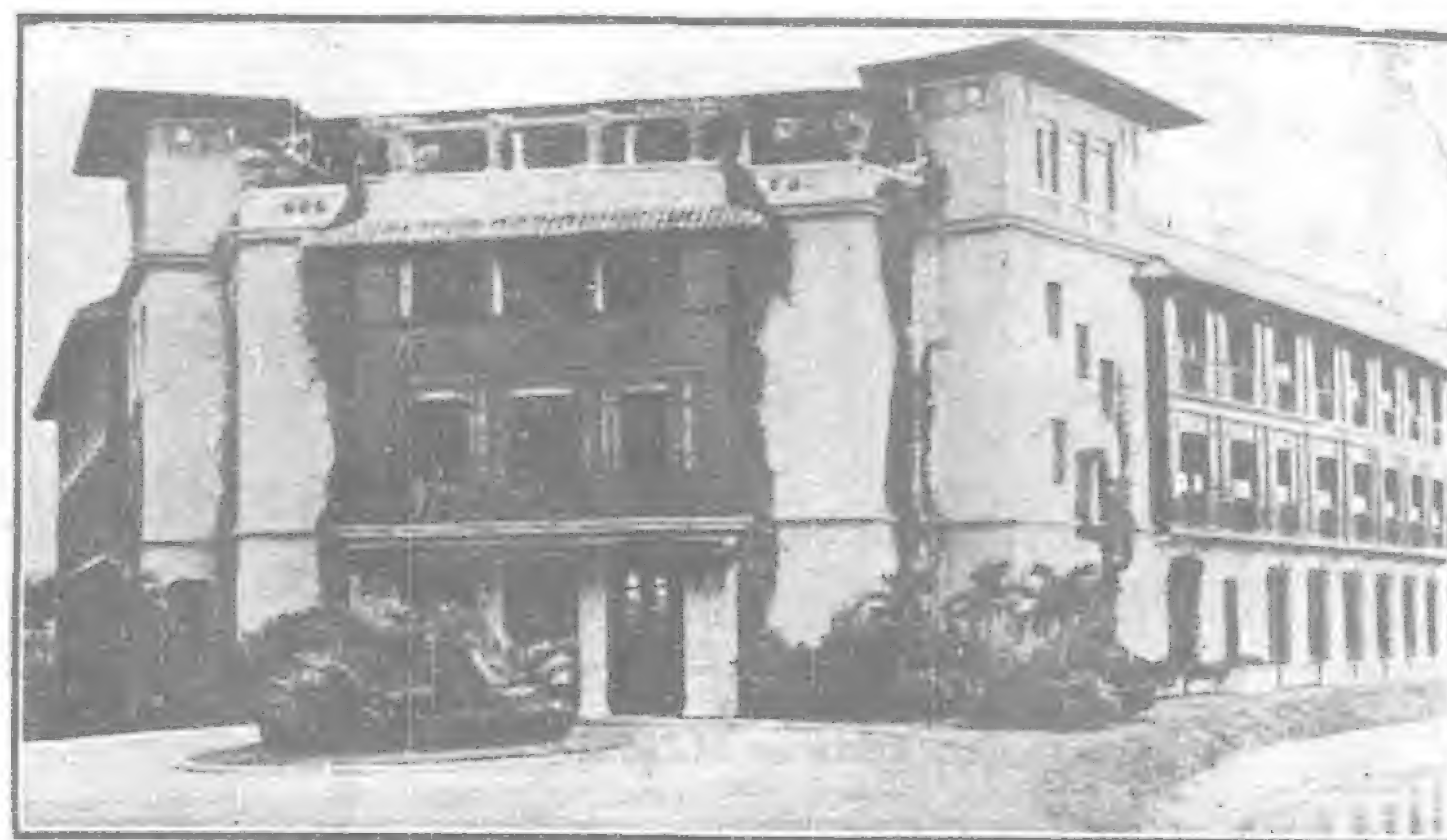
ONE OF MANILA'S OLD BUILDINGS. REMODELED TO MAKE A MODERN HARDWARE STORE



THE KNEEDLER BUILDING. MANILA'S FIRST REINFORCED CONCRETE OFFICE STRUCTURE



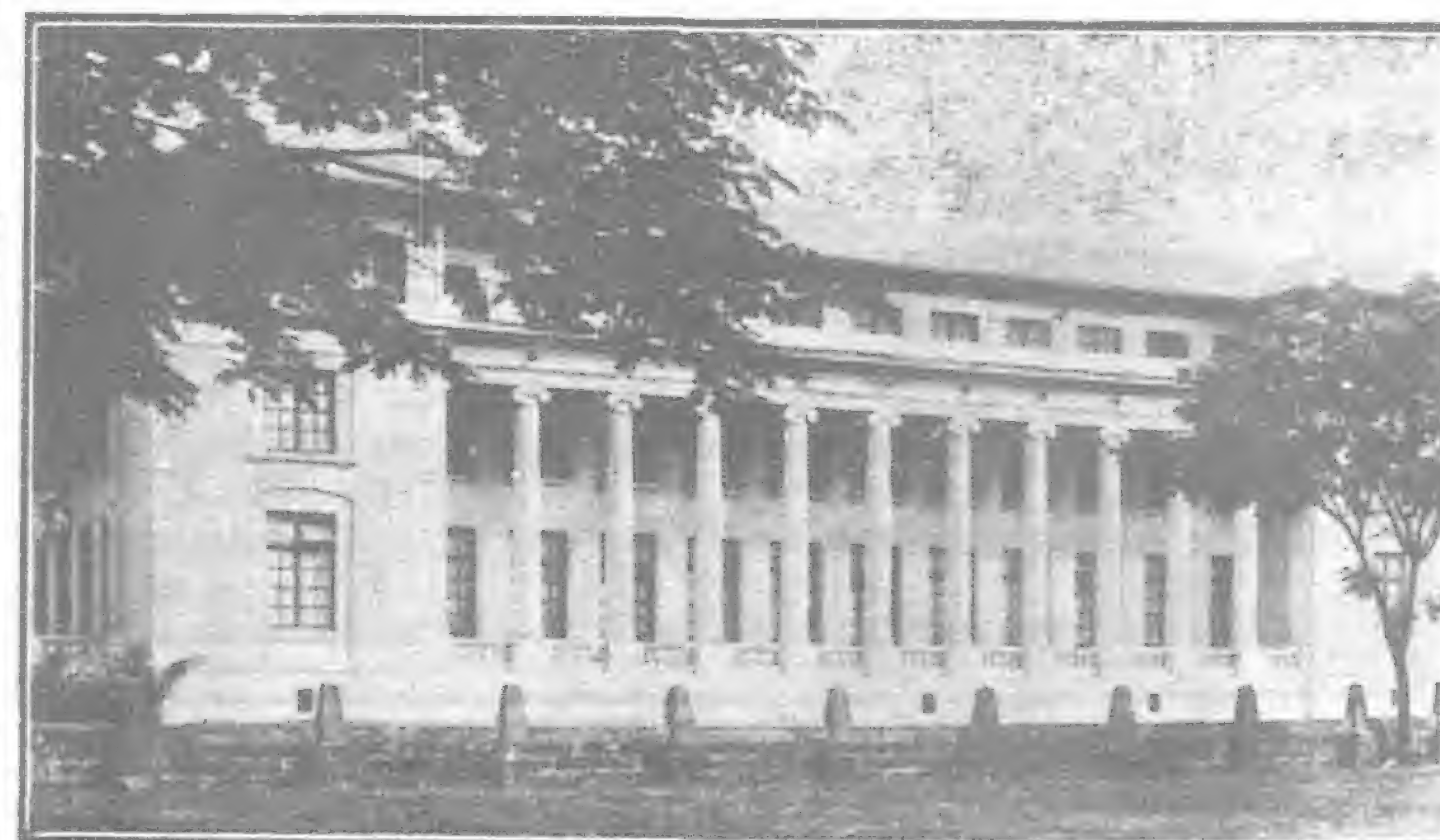
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WHERE JAPAN STANDS NOW

For nearly three years Japan has had an absolutely free hand in East Asia and the Pacific. Thanks to war in Europe, chaos in China, war conditions and a helplessness due to the war in Siberia, and to a sentimental aloofness in America, the ambitious Japanese people have been almost absolute masters since the beginning of the European war in the domains of trade, manufactures, shipping, military affairs, and politics in the Far East. By the Allies in Europe a great trust and responsibility were given them, and by the super-conscientious administration in America a great field was left open to them. A nation, like an individual, may be justly judged by the way in which it responds when put upon its honour, or left unchecked to act upon its own responsibility. Japan responded in the spirit of the small boy who finds himself alone in a candy shop, and gleefully proclaimed through the medium of Premier Okuma that her "opportunity of a thousand years" had come. She responded in the first instance by entering enthusiastically into the military operations in Pacific waters, until she had seized and occupied certain German colonies in the Far East, and then she settled down to consolidate her position in these new holdings, and to do as little more in a military or naval way as world opinion would permit. In response to an anxious query recently made in the Japanese Diet as to what Japanese warships were doing in the Mediterranean risking their precious bottoms, Baron Motono was forced to explain that they were not there to support the Allied campaign against enemy squadrons or submarines—not by any means—but to protect Japanese shipping in its passage through dangerous waters.

Japan next responded by taking advantage of European preoccupation and American aloofness, to try to extract from China, under a cover of secrecy and false diplomatic statements, a long series of concessions, which would have guaranteed her supremacy in political, military, and commercial affairs throughout the Chinese Republic for all time, and would have done away forever with the tiresome commercial and diplomatic contention of which China has been the bone for several decades.

Her next response to international confidence and trust was the extraction from Russia, then dependent upon her for the supply of countless war commodities and for the maintenance of an open line of traffic between America and Siberia, of an agreement, "a supplement to the Anglo-Japanese Alliance," as it was pleasantly termed, according to which Japan was enabled to push her machinery of aggression a little further north in Manchuria, a little further into Mongolia, and to a certain extent into Siberia itself.

When all the prizes of war, diplomacy, and commerce taken in this open season were hung, one after another, to the Japanese roof beams, the naive delight and self-satisfaction of the Japanese people became almost hysterical. The earth was a Japanese melon. All greatness began and ended in Nippon. The Japanese Press, the most strictly censored in the world, wanted to know in those days what Japan needed with an Anglo-Japanese Alliance anyway. Wisdom and strength such as Japan's required no Allies. The absorption of China, of the Philippines, of the Dutch Indies, and of the South Sea Islands, seemed a just and inevitable destiny for so great a people. The whole Orient and the whole Pacific from Constantinople right around to San Francisco ought to acknowledge the effulgent greatness of Japan and come under her benevolent hegemony. The Japanese Monroe Doctrine movement and the Pan-Asian movement enlisted adherents without number, and the general feeling of elation and expansion caused the Japanese press frankly to glory in the war which was eliciting tears and blood from the whole western world.

A certain element boldly speculate upon how much greater the advantages to Japan might have been in the past had she been allied with some strong, bold power like all-conquering Prussia. While the press and the populace proceeded to intoxicate itself with these thoughts, the leaders in Japan were however contemplating the consolidation of the advantages won. They had to look forward to that single cloud in an otherwise perfect sky—the Peace Conference. Undisputed possession has been found in Japan's experience to be the surest claim upon

her acquisitions. At the peace conference as elsewhere it would be nine-tenths of the law, so the Japanese Government settled down quietly to consolidate what she had boldly and noisily taken. Nothing could be done quietly under the Okuma Government, so the Terauchi Government was ushered in and the world was introduced to a galaxy of veterans in the tactful game of getting and holding what they desired. Japan's policy changed. There was no more expansion. There was no more than time enough left to make secure the holdings of the Okuma government, for the Allies were manifestly succeeding, and the Peace Conference was just so much nearer with every kilometre of trench taken from the Germans in France. It was now Japan's part to lay persistent stress upon the vast services she was doing the Allies, and to organize matters so thoroughly that when the time came she could speak with quiet assurance of "her Shantung", "her special rights in Manchuria and Mongolia", "her concessions in Siberia", "her predominant position in the Pacific", "her commercial and political pre-eminence in China", and "her South Sea islands." And to these ends the Terauchi Government has been working quietly and sedately, industriously living down the scandals of the Okuma period, but just as industriously making sure that the Okuma winnings are permanently incorporated in Japan's inalienable holdings.

Now with this decorous program much has gone amiss during the past few months, and there is ill concealed consternation in the recently blatant Japanese press comment upon Far Eastern affairs. Two huge and wholly unmanageable factors have been thrust above the Far Eastern political horizon, which cast long shadows. One is the fall of the unscrupulous beurocratic government in Russia, the very government which set Japan all her precedents in the Far East: and the other is the rise of an overwhelmingly big militant America. The very same big sentimental, spineless America that had always blubbered about her Open Door in China, and, still blubbering, had allowed it to be slammed in her face, the same America that was too sentimentally good and pure to put money into China when it would have meant a foot in the closing door, and the same silly big America that had voluntarily withdrawn its commerce from the Pacific, suddenly rose militant upon Japan's eastern horizon, effectively arming herself with the strength of a second Prussia, the wealth of England, and the spirit of France, to throw herself into the war as the ally of Great Britain, the power that Japan was just beginning to believe was past her usefulness as an ally.

Japan realized at once that in a year America with her military strength, backed by her wealth and resources, and a navy that will nearly rival Great Britain's, would not be the same ungainly weakling whom a year ago one could flip on the nose in a discussion of Far Eastern matters and send about her business. She would not be the kind of nation in a year that one could divert with a discussion of California schools while one built a palisade around a Chinese province. All the sentimental nonsense which America talked when she had an army of ninety thousand at home, a mosquito fleet in Chinese waters, and a circle of agrarian philosophers in Washington, becomes a hard, practical Far Eastern policy, when it is voiced by a nation with a few million trained men, a government seasoned in European diplomacy, and a potential Pacific squadron as big as the Japanese navy. The tenure of American possession in the Pacific, the Open Door policy, the care for China's integrity and independence, the exacting observance of benevolently worded but obsolete treaties, all of these matters, which have been negligently pigeonholed throughout the season of the "golden opportunity," must again become subjects for study, and the bare possibility of a retrospective application of American doctrines and political dicta to some of Japan's acquisitions at the eventual Peace Conference is exceedingly disquieting. If America sits at that conference, booted, spurred, and "heeled", between France and Great Britain, with a long casualty list on the table, it is going to be awfully hard for Japan to talk with unfeigned assurance of "her China," or "her South Seas," or her "Pacific Monroe Doctrine."

Almost equally disquieting is all this talk of the new Russian democracy about "peace without annexations," the British labour

party's discussion of the neutralization of captured colonies, and the whole strong chorus of mad Occidentals upon the "rights of weak nations", the crushing of autocracies, the guarantee of the independence and integrity of all peoples, which is rising into a sort of Open Door psalm for the whole world, in which Japan cannot raise her voice without striking an audible discord. Last but not least comes China's entry into the war, a move which Japan, under the distressing circumstances just described, has been forced to bless with smiling approval and the murmur of pleasant platitudes. China as a belligerent will also sit at that Peace table some day; China's interests as an Ally will be the interests of the whole armed world, China's complaints against an aggressive and annoying neighbour will have the attentive ear of half a dozen superbly armed peoples, all pledged to right the wrongs of the weak and guarantee the political liberty of the persecuted. When China comes to tell her story to the Allies, on the one hand will be America, the sentimental, only armed this time like a gladiator, and on the other hand will be Russia, China's most extensive and most powerful neighbour, also turned a sickly sentimentalist and a quibbler about national rights and territorial integrity. On the whole the outlook is miserable.

There will be a deal of truth told at that Peace Conference and it now seems possible that unctuous comments upon Japanese participation which have been prompted by war expediency will then be abandoned in London for a serious review of Japanese opinion officially expressed during the garrulous Okuma epoch upon the value of the Anglo-Japanese Alliance, for a serious discussion also of the Japanese official misrepresentations of the Demands upon China which encroached upon British rights in the East, and for a judicial consideration of Japan's right to the Pacific Islands upon which she squatted with such celerity.

Pessimism is rife in Japan and that long exiled bird humility is once more finding a nesting place in Nippon. We hear from Japanese sources that after the war the Anglo-Japanese Alliance will probably be replaced by a British-American alliance. Alas! The perfidy of Britain! The opportunism that discards poor little Japan after all her faithful service for her big rival across the Pacific! America needs her steel for war purposes, and Japan is to have none of it except for use against the mutual enemy. This occasions bitter grief in Japan, but the Japanese foreign office is not instructed this time to deliver an ultimatum, nor does the Japanese Press rise up and shout for the defence of Nippon's honour and dignity with the sword. There is to be a special commission of especially humble and tearful mushroom millionaires to go all the way to Washington to paint the plight of poor little Japan and bedew the marble corridors of the Capitol with their tears. A nervous correspondent at Changchun in Manchuria hears a wastrel rumour to the effect that America is about to purchase what is left of the Chinese Eastern Railway from Russia, but the Japanese Press does not scream with either indignation or anger. It expresses pained anxiety. A new government is established in Peking, which the Cantonese, under the leadership of Japan's good old *agents provocateurs* and trouble mongers, Sun Wen and Tang Shao-yi, would like to oppose with one of their burlesque but profitable revolutions; but Japan's Legation in Peking announces for publication that not a yen and not a rifle will go to the support of the Cantonese and that Japan favours the establishment of a strong central government in the capital and the suppression of disorder in the provinces.

The "opportunity of a thousand years" is over. Japan finds herself laden with the spoils of the season, not yet thoroughly devoured nor cached, and is aware that the wardens of the preserve in which she has been having such an unrestricted shoot are getting ready to return and inspect the game. She has made no friends among them. Russia, the one who winked at her poaching, the one who taught her the tricks of the trade in fact, is coming back full of self righteousness; and America, the moralizing weakling, is coming back full of self assurance. The work of eating and caching, the work of consolidation, must go on if anything is to be saved, but it must go on with more than usual caution and care, the game must not be further alarmed, the snared must be tamed and soothed, and the wardens must be obfuscated. This is Japan's international position and from this time forth her policy will be one of obfuscation.

THE OLD VERSUS THE NEW IN CHINA

There has been no startling development in Chinese politics since we last went to press. The Constitutionalists have been consolidating themselves as best they could in Kwangtung province, with Canton as their headquarters, and agents have been active in adjoining provinces to secure support against the Militarism of the North. Yunnan Province has announced its opposition to the Peking Government, and other provinces have threatened to do likewise. Many members of Parliament have assembled at Canton and efforts are being made to secure the attendance of a quorum of the old Parliament so that sittings can be resumed with the idea of impressing the world with the fact that the real Government of China is centred in Canton and not in Peking, as alleged. The Constitutionalists have the tangible support of the first fleet of the Chinese Navy. It arrived in Canton on August 5 under the command of Admiral Chen Pi-kuang, and comprises two cruisers, one gunboat, two torpedo-boat destroyers and three other vessels. The remainder of the fleet professes loyalty to the Peking Government. The Military and Civil Governors of Kwangtung and about 500 prominent persons welcomed the Admiral at Whampoa, where a dinner was given in his honor. On the following day the Government and people of Canton gave a reception to the Admiral and various Constitutionalists in the public park of the city, when, despite the inclement weather, some 10,000 people were present. The President of the Provincial Assembly was the chairman of the meeting, and among others present were Dr. Sun Yat-sen, and the former Military Governors Hu Han-min and Chen Chiung-ming. Speeches were naturally the order of the day, the Military Governor Chen Ping-kun, declaring that he would undertake to preserve the tranquillity of the Province, and would uphold Republicanism and the Constitution, what time his determination to extirpate rebels would never change. The greatest enthusiasm was manifested by those present at the gathering, and it would seem that the enthusiasm spread, for later reports seemed to indicate that the merchants of Canton were securing recognition and were supporting the politicians in their plans, the chief of which were, of course, to re-establish Parliament and reinstate Li Yuan-hung as President. Mr. Wang Ching-ting, vice-Speaker of the Senate, was unanimously spoken of as acting-President until the arrival of President Li. How the latter was to extricate himself from Peking, where he remained in the French Hospital, in the Legation Quarter, has not been decided, though it was thought possible for him to depart under foreign protection, a hope that must have been blasted when the Tuan Chi-jui Government declared war on Germany and Austria and promptly received the support of the Allied Governments and America. These Governments are not likely to contribute in any way to the maintenance of trouble in the country, and therefore they can be counted upon by the Peking Government to do nothing to assist in the departure of President Li. That President Li would personally elect to go is also questionable. So far he has shown himself to be against continued strife, and his attitude since his resignation would suggest that he is sick and tired of public life. At all events he has no desire to be the centre of civil strife, if his statements at the time he dissolved Parliament are to be accepted seriously.

While not certain of the forces in Kwangtung, the Constitutionalists had agents working among them and felt convinced that when a show down took place they would have all the troops on their side. The attitude of the Civil Governor was also problematical, and the Provincial Assembly contained elements loyal to the Central Government. These were factors which the Constitutionalists calculated they could soon overcome, and they were in no sense downhearted, even when the Peking Government forestalled them by declaring war. This step was not expected at the time, it being believed that General Tuan Chi-jui would not dare to take it in view of the discord existing in the country. Nor did the Constitutionalists believe that the Allied nations would regard such a declaration as serious unless backed by the united country. In this they were disappointed, but decided to persevere in their campaign and to declare war themselves when they could get Parliament together. Such a declaration, they claim, would be the only legitimate one, since that by the Peking

Government did not have the backing of Parliament—there being no Parliament in Peking, and the Constitution laying it down that war could only be declared by the representatives of the people. A counter declaration of war by the Constitutionalists at Canton would undoubtedly mark a split between the North and the South. The leaders in the South seem to take it for granted that the traditional opposition between the North and the South can not be overcome, and the only sane development is therefore a separation. Whether this will be brought about remains to be seen, and depends solely upon the future attitude of the Peking Government. If the latter can retain the support of the old military leaders in the southern provinces, then separation might be staved off, and the fact that the declaration of war by Peking was promulgated in Canton, and apparently accepted, would seem to indicate that the Constitutionalists have not yet completely won all of the official power over to their side.

Until they are able to take command of the various sources of revenue the Constitutionalists are depending for finances upon contributions from patriotic citizens at home and abroad. Chinese abroad have contributed liberally so far, but how long they can maintain supplies cannot be calculated. In the meantime efforts have been made to secure a loan from Japan and it is reported that certain Japanese have expressed a readiness to favor the Constitutionalists in this respect.

While the southern factions have been trying to unify their ideas and their forces, the northern ones have also been active. The Acting-President, General Feng Kuo-chang, found himself keenly sought after by both sides. As Vice-President and Governor of the important province of Kiangsu he held a strategic position on the Yangtze River of great value to either side. The North apparently offered the best inducement, for after much wavering he ultimately decided to go to Peking as Acting-President. An extremely interesting development began before he agreed to proceed to the Capital. Not wishing to meet a fate similar to that of General Li Yuan-hung—who departed from Wuchang, where he enjoyed great military power, for Peking without making provision for military support in case of need—General Feng prepared the way by securing his position on the Yangtze. General Tuan Chj-jui followed his overthrow of Chang Hsun and the Manchus by attempting to secure the leadership of the Peiyang (or Military) Party, and with the object of undermining the power General Feng had gained on the Yangtze he attempted to appoint General Ni Ssu-chung Governor-General of Kiangsu in place of General Feng. Such a step was naturally opposed by General Feng, and the latter agreed to proceed to Peking only if he had the nomination of his successor. Already he had planned to have General Li Hsun transferred from Kiangsi Province, and he was able to persuade General Tuan that his appointee should be sustained. General Li Hsun is the right hand man of General Feng and the moving spirit of the Chihli faction of the Peiyang Party. General Ni Ssu-chung, it may be mentioned, is one of the Anhui faction of the Peiyang Party, and General Feng has no desire to see an Anhui man in command of Kiangsu. With General Li Hsun at Nanking General Feng has his strongest supporter in the most important strategic position on the Yangtze, and to offset this to some extent General Tuan endeavored to appoint his relative General Tuan Chih-kwei as Tutuh of Hupeh Province, a nomination refused by the Acting-President since the present incumbent of the post, General Wang Chan-yuan, is a strong supporter of the President. General Chen Kwang-yuan, who had been appointed Tartar General of Suiyuan by General Tuan Chi-jui, delayed his departure until the arrival in Peking of General Feng, when the latter appointed him to fill the vacancy as Tutuh of Kiangsi Province vacated by General Li Hsun. By these moves General Feng has secured control of the Yangtze, and he fully intends to maintain that control. General Tuan Chi-jui has no one in the Yangtze Valley except General Ni Ssu-chung, and as this officer is generally unpopular throughout the country it is extremely difficult for General Tuan to utilise his assistance. In estimating the relative strength of General Tuan and General Feng it has to be remembered that at heart many of the Peiyang Generals supported the endeavor of Chang Hsun to restore the Manchus and though

none of them resisted the steps taken by General Tuan to overthrow the Manchus they still resent them, and many will support General Feng as a rebuke to General Tuan. Thus it is that for the present at any rate General Feng has the control of the majority of the Peiyang Party.

A mistake which is likely to react upon General Tuan is his haste in allying himself with the Chinputang Party—a party cordially disliked by old officials, and hated by the Young China Party on account of their several traitorous acts against the Republic. General Tuan undoubtedly allied himself with this party in the belief that they would secure the majority in any new Parliament which he calculated would ensure his election to the Presidency. Realising this General Feng Kuo-chang declined to take any drastic steps against the Kuomintang and for the same reason he is anxious to adopt a conciliatory attitude towards the Constitutionalists, whose leaders are all members of the Kuomintang. Whereas it is given out that General Tuan is desirous of suppressing the Constitutionalists by force it is known that General Feng opposes this course, and since he has control of the Yangtze he will probably be able to influence any campaign which General Tuan may wish to launch. General Feng's willingness to recall Parliament is taken for granted, and if he fails in this he will probably advocate a speedy election, in which case he can count upon the support of the Constitutionalists. As the cards read at the moment General Feng is not likely to function smoothly with General Tuan for long, and prophets are busy forecasting the resignation of the Premier as likely within a few months. If this eventuates the Chinputang will fall at the same time, and if the Constitutionalists have any political acumen they will combine with the Chiaotung Party—or the so-called Cantonese Party—in an endeavor to form a government under General Feng. As the Constitutionalists have sworn to overthrow militarism, however, it is not certain that they will join with General Feng, in which case there is sure to be a conflict until one or the other is overthrown.

At present the Constitutionalists are proceeding with their scheme believing that they will be successful, and the Militarists are proceeding with theirs entirely ignoring what the group in Canton are doing, relying on their declaration of war to secure foreign support and trusting therewith completely to defeat Constitutional aims, particularly as they at the same time declare themselves to be constitutionalists and Republicans of the first water. Money will eventually be the determining factor and everything depends upon who will get the most money in the quickest time. In this respect the Peking Government has the advantage since the Allies are pledged to support it. Already a loan is being negotiated with the Japanese and it is on the cards that Yen 10,000,000 will be floated in Japan before long. The Peking Government is able to obtain the surplus of the Salt Administration and also some \$2,000,000 from the Customs, claiming the rights and privileges of a *de facto* government.

In an effort to enlist the support of Japan the leaders of the Constitutionalists despatched a lengthy appeal to Count Terauchi, the Prime Minister, and to the Foreign Minister and others, setting forth the reason for their campaign. The appeal is worthy of reproduction as indicating the trend of thought of the leaders of the movement. It is as follows:

"The gradual extension of European influence to the East compels the peoples of the yellow race to have recourse to a policy of self-defence. China is only able to save herself from ruin through the help of Japan, which with its regenerated energy and progress, stands a bulwark between the two forces. The future of Eastern Asian civilization and the Asian peoples depends, however, on whether the politics of China are well adapted to her national requirements. Japan's regeneration may be likened to the blossoming of the Asian peoples, of which a radical political reform of China should be the fruition. Herein lies the reason why Chinese patriots, risking their lives, are striving to attain this object, and that is why they have commanded the sympathy of their neighbour. When the revolution broke forth five years ago, China, south of the Yangtze, rallied to the new light, and the people of the North also largely welcomed the new standard. Out of deference to the virtues of moderation and

modesty, the South, then, conceded to the North the right of governing the country, hoping that peace and good administration would be soon established. Contrary to this hope, however, there have come in succession the monarchical intrigue of Yuan Shih-kai, the violation of the Constitution by Tuan Chi-jui, the rebellion of Ni Shi-chung, and Chang Hsun's Manchu restoration. These events have differed in their manifestations, but they were all of the same origin. Unless this national evil be uprooted at this time, it may yet plunge Eastern Asia into an irretrievable misfortune. The sole aim of the Southern leaders is peace, but they know a compromising peace is a source of great calamity to the Far East. They have, therefore, enlisted the assistance of patriotic men from the Navy and Army and are planning the suppression of all bureaucratic forces working against the nation. The day will not be far off when the remnants of the old politico-military system will be brought before the tribunal of the people and duly punished. Japan is the most sincere friend of China. All classes of her people are in sympathy with the endeavours of Chinese patriots, who are struggling to maintain law by overpowering its traitors. A permanent good understanding and cordial co-operation of the two peoples must be strongly based upon this moral spirit, and from it alone flows the stream of enlightened progress for the Far East, which both nations are so eagerly anxious to see. But the military-bureaucrats are apt to set afloat various rumours to undermine the friendly relations between the two countries, as in the time of, and under, Yuan Shih-kai. If the present opportunity for the South to effect a radical reform is to be allowed to slip by, the future will bring great perils, from which Japan will not be able to escape. The South fervently solicits the moral help of her friendly neighbour."

According to a telegram from Kwangtung to the Peking Government the Constitutionalists were given a serious blow by a decision arrived at between General Lu Yung-ting, Inspecting Commissioner of Kwangtung and Kwangsi Provinces, and General Chun Pin-kun, Military Governor of Kwangtung, that they would not give any support to Dr. Sun Yat-sen and his followers. These officials decided, however, not to interfere with the Constitutionalists provided the latter created no disturbances in the province.

On August 18 the fifty members of the dissolved Parliament who had assembled at Canton held a meeting and decided that though a quorum could not be got together an extraordinary meeting should be held on August 25 to decide certain "urgent domestic and foreign questions which required early attention."

With the object of giving effect to a desire to convene a new Parliament the Peking Government pushed ahead with the plans for the calling of a National Council representing all the Provinces, to meet in September, and to confirm the members of the Cabinet, and the declaration of war, though the formation of this Council will be abandoned if a compromise is reached with the Constitutionalists. Influences are at work to effect a compromise.

CHINESE QUACKS OR FOREIGN NOSTRUMS

In the July issue of the FAR EASTERN REVIEW was printed an article that went into details regarding the practice of medicine by Chinese physicians of the old school. That the people at large have survived under such quackery proves their national stamina beyond question, but what can they do now that the attention of the American manufacturers of patent medicines, with the accent on the patent, has been turned toward China's teeming millions as a field for their nefarious endeavour? The United States department of Commerce has called attention to the field open to the nostrum makers and the *Journal* of the American Medical Association has called the Government sharply to account, but it remained for the New York *Tribune's* "advisor" to put the case of China and her imminent danger before the people of the United States by giving much needed publicity to the medical journal's statement. No apology is

necessary for aiding in this spread of the warning and incidentally in upholding the hands of those more advanced and foreign trained Chinese physicians who are working for the correction of quackery. Hence the following quotations:

"Poor old China! As if she hadn't endured enough! Now she is to be modernized by patent medicines. And in their uplift movement the nostrum manufacturers have the distinguished collaboration of no less an authority than the Bureau of Foreign and Domestic Commerce of the Department of Commerce in Washington, whose 'Special Consular Report, No. 76,' marked 'Confidential' is quoted in the *Journal* of the American Medical Association. In the following quotation the italics are added by the *Journal*:

"Hygiene is practically unknown among the Chinese....."

"No country offers a richer field for the proprietary medicine trade than China."

".....the selling of patent medicines has proved to be successful largely, if not wholly, to the extent that well-planned advertising creates a demand, and thus ultimately gives the manufacturer maximum returns with a minimum expenditure."

"It is positively asserted by one American who reaped a rich harvest of orders after a good publicity campaign that with sufficient advertising anything at all within reason can in time be profitably introduced to the Chinese trade."

And again:

"Through judicious and persistent advertising the natives are gradually being educated to the necessity of paying some intelligent attention to their various ailments and are responding remarkably well."

"Less euphemistically," says the *Medical Journal*, "this might be expressed thus: If you advertise persistently enough and skilfully enough you can get the Chinese to swill your tonics and swallow your pills with as much readiness as do the Occidentals."

A little later the report warns American manufacturers that medicines must be "reasonably efficacious for the ills for which they are recommended," for "the Chinese are perhaps more critical than any other nation, and are very sensitive about spending money without adequate returns." How unsportsmanlike of the Chinese to be fussy about a little thing like that!

But further down we find a similar note, where the report tells us that "several liquid medicines have met with success, notably palatable tonics with medicinal properties."

"Is China dry, too?" laconically asks the *Medical Journal*.

The report urges manufacturers to avoid "too much exaggeration" (not "exaggeration," mind you, but "too much"), and recommends almanacs in the form of scrolls with good pictures on them.

Might not the attention of Judge Lamar, Solicitor of the Postoffice Department, advantageously be called to this—and a fraud order issued against the Department of Commerce?

Really, we wonder whether a more astounding document ever emanated from our government. It isn't as if conditions in China weren't understood. The Y. M. C. A. has been trying to educate the Chinese public on quackery, using the *Medical Journal's* exhibit on the nostrum evil at the Panama-Pacific International Exposition. One of the secretaries wrote to the association thanking it for this exhibit and pointing out the need. He said:

"In China, where superstition on medical subjects is rank, where ignorance is prevalent among a large class of the population, where there is but a minute beginning toward modern Western medical practice, we find a soil prepared for the quack medicine venders, such as is probably not surpassed in any other part of the world, and already patent medicine advertisements have become among the most prominent in all parts of the country."

But what chance has the Y. M. C. A. with the government "agin 'em?"

WHAT SHALL THE HARVEST BE?

Of vital interest not only to the United States but to the Allies who depend on America for food is the news that a shortage of 24 percent in wheat, 37 percent in corn (maize) and 25 percent in barley is now impending, according to the Washington Department of Agriculture. Coupled with this news comes word from practically every country in the Far East that the rice harvest will be most bounteous and that low prices are expected to prevail. In other times we might call this last news good, for it would seem to offer to the hungry world a way in which to fill the aching void that the wheat, corn and barley shortage must create. But not now.

There was a time when rice might be loaded at Saigon and delivered in San Francisco for four dollars gold a ton. Now it costs at the least some \$30 to \$40 gold a ton to move similar cargo from Shanghai to the West Coast, and the shipping companies are declining such cargo as rice and groundnuts as being too low grade. They prefer to fill their ships with silk and tea and other commodities that pay higher rates of freight.

As for shipping rice or much of anything else across the Pacific under the American flag, that is out of the question. Congress very ably administered the *coup de grace* to America's Oriental shipping trade when the shipping bill fathered by LaFollette was passed "in the interests of American seamen." American seamen must get much satisfaction out of the situation that has protected them by taking away some possibilities in the way of jobs.

But that is not the point. The seaman has plenty of friends in Congress while the shipowner has none. In fact, when a commission to consider shipping was formed some months ago, it was found that only one man on it had even a remote acquaintance with that subject which of all others must be dealt with by experts only and by them with wary hands. One thousand wooden ships are reported to be under construction as food carriers to Europe. Let us hope that they may come into service soon and help to release some cargo carriers for the Pacific where godowns are filling with every conceivable kind of Far Eastern produce, thus permitting some shadow of competition with the Japanese who have what wrestlers call the "strangle hold" on the trade of the Orient.

One cannot blame the Japanese for their acumen. They have strained every resource to build and operate ships in the past, and it is gratifying to learn that they are reaping some reward for their endeavor to keep the "Rising Sun" flag floating on the Pacific. It may gall some shippers to have to pay rates that permit the Nippon Yusen Kaisha for example to disburse 70 percent dividends to their stockholders, and that the Japanese policy compels the shipping companies to take care of Japanese cargo first may have an additional taste of bitterness, but the plain fact remains that if the United States Congress had listened to the advice of shipping men rather than to LaFollette, the mouthpiece of the labor agitator, America might have occupied a more enviable position in the China trade. The fight of the Middle West through its farmer legislators against all ship subsidy bills in the United States Congress has had its effect. Sad to relate, however, it is not the farmer's boot that pinches, but that of the consumer of the raw materials or foodstuffs from abroad who must pay additional pennies on each pound of goods from a purse that is none too fat unless he belongs to the new plutocratic classes that make munitions and motor cars.

So the harvest in this case of shipping has been just what it always will be when legislators fail to take the advice of those who have some basic knowledge of the industry that the legislation will affect. Even the thousand wooden ships will be only a slight palliative measure, and the first of them has not yet set sail or turned a propellor blade on its trial trip. Pending their completion, let us hope that some Congressional crank does not put into effect an absurdity or two of legislative enactments to prevent them from taking part in the commerce of the world. It is time that a few shipping bills were sown from which the United States might reap a harvest of ships.

What is the Matter with China?

[BY RODNEY GILBERT]

The Chinese have been complimented by many foreign writers upon their remarkable faculty for organization. Wherever one finds Chinese, in or out of their native land, they seem to fall into groups and organizations of one sort or another as automatically as the chips of coloured glass in a kaleidoscope. Yet with all their power of organization the Chinese people seem slow and reluctant in the shaping of those very institutions which are essential to the power, integrity, and maintenance of self respect of a modern nation. In currency reform, modern education, military organization, and above all in politics and government, the Chinese nation as a nation is continually demonstrating a lack of co-ordination and the sort of serious minded organization which gets things done. One continually meets in China individuals who are making impressive efforts to force progress upon the country. In the same way one is continually coming upon little samples of excellent progressive work which inspire the hope that the Chinese are waking up, but the great discouragement is the vast veneer of make-believe, the veneer of an insincere show of progress, the top hat worn over the coiled up queue, the celluloid "dickey" worn over the unwashed shirt of remote ancestors, the persistent attempt to face new conditions and new problems with the false front of compliance and compromise.

For the facts that the Chinese cling to their own ways, that the people like their old social institutions, their old living conditions, and their old business methods best, that the officials of all classes whether nominally new or old cherish tenaciously the ancient traditions of misrule, corruption, bribery, and conspiracy against change, that the masses are oblivious to public disasters, indifferent to national welfare, and spiritless in the face of oppression and outrage, for all these things there are many ready apologies, but none which go directly to the root matter and explain all the exasperating phenomena which prove the ineptitude of the Chinese as a nation. The only true explanation can be found in the social life and social ethics of the people. By contrasting China with Japan, foreign critics leap to the conclusion that China is retarded—fairly hamstrung in fact—in her national progress by the lack of public spirit among her people. This is very near the truth, for the Chinese are in their attitude towards the body politic an amazingly selfish people, with no conception of their nation as a compact entity to which they owe certain duties and from which they have a right to expect certain rights and favours, and unless one starts his argument with them from the traditionally correct angle, it is hopelessly difficult to move the Chinese people from their self-centered economic position.

As almost any one familiar with China's troubles can demonstrate, either in the small community or in the nation as a whole, this is the root of China's troubles. For the explanation of this peculiar selfishness one must go still deeper into a study of Chinese life and thought. China's economic philosophy has never grown beyond the concept of the family. Charity begins there and ends there. Right and wrong, as inspired by duty, conscience, love, or whatever else besides fear inspires right and wrong, are confined within the family limits. Beyond these limits the law of self prevails. The Chinese have as long a list of virtues as any surviving people. Chief among these are the virtues which pertain to family relationships. The lesser virtues are dependent upon them and incidental to them. The righteous man must practice all the virtues under the shade of his own family tree, within the walls of the ancestral enclosure—beyond that virtue is ruled by expediency, self-sacrifice is folly, charity is a sin against the family, leniency to one not of the clan is culpable weakness, honesty is folly where no relative is involved and where dishonesty might have netted the family something. This is the ancient code of the patriarchal age. All nations have passed through it. In the course of the normal growth of social ethics the recognized virtues of the patriarchal unit are extended in

time to the clan, from the clan to the tribe, from the tribe to the federation of tribes, from the federation to the nation, and from the nation to humanity at large—a degree of expansion which the world has not attained except in ideal and in the persons of exceptional individuals. China, thanks to economic conditions chiefly, has never found it practicable or desirable, to outlive completely the patriarchal social code, to apply the rules of right and wrong, of charity, self-sacrifice, duty, and all the other recognized merits, outside the pale of the clan. The Chinese Imperial Government was built upon the model of the family, and every factor in it, down to the district magistrate—the local "father and mother", as he styled himself—had to play upon the ingrained Chinese respect for patriarchal forms, to maintain order and hold the country together.

Chinese economists writing upon the duties to the State and the Emperor, never plunge abruptly into dissertations upon patriotism and national feeling, but begin by portraying family life and the rules which govern it and by applying these rules step by step from one unit to another somewhat larger unit until they have proved that the Empire is only a big family, that the Emperor is the patriarch—"ten-thousand-year-grandfather"—and that his 400 million children are 400 million brothers, owing the grandfather respect and service, and their numerous brethren the love, honesty, and care of one dutiful brother to another. This is the only means known to Chinese of appealing to Chinese patriotism, and even this attitude, which inevitably throws the strongest emphasis upon race distinction, and puts beyond all consideration those who cannot claim blood relationship in the great family, is an ideal towards which the Chinese mind never strains itself except when the interest or integrity of the great blood brotherhood is threatened by an outsider.

This can be fully illustrated by many recent events in Chinese history and from many standard Chinese books. Perhaps nothing illustrates it so well as the famous amplification of Kang Hsi's Sacred Edict which in Manchu times was read periodically to the public throughout the Empire. In this document the shrewd mind of the official leads the people through exhortations to be true to the family, true to the clan, true to relatives close and remote, then to the community, in which family relations and neighborly relations are so closely intermingled that they become inseparable, and finally to be loyal to the Empire and the Emperor, the exalted father of the vast Han clan. Secret societies for the overthrow of the Manchus, like the Ko Lao Huei—the "elder brother society"—made no appeal to their members on bases of abstract patriotism or abstract civic virtue. They pictured the overthrow of the Manchus as the inevitable triumph of the Han family over the Ching family. They made a clan feud of a national movement and they enlisted countless followers, where an appeal to love and duty to the fatherland, or to the principle of liberty would not have moved a single farmer from his furrow or a clerk from his counter. The Boxer rising was a rising of the Han clan against the Ching clan in the first instance, and against the alien overseas clans in the second. If they eventually devoted themselves to the cause of the Emperor Kuang Hsu or the Empress Dowager, it was not to the political head of the Chinese State that they gave their fealty, but to the venerable father of 400 million children of Han and to their still more venerable Empress-mother.

The family code of morals and rules of duty is the only one which is really familiar to the great mass of the Chinese people. This code is binding, and Chinese society demands strict and conscientious adherence to it. Adherence to any system of morals or rule of duty beyond that of the family circle has no connexion with conscience. Compliance with any system of rules or any conception of duty outside those prescribed by the ancient tradition of the family, has nothing to do with conscience therefore. Some people devote themselves to the preaching and application of the beneficent family ethics outside the family

circle—excellent but quixotic people these, not typical of the sons of Han. Some people say that all men are brothers, and that we therefore owe all the devotion, fair dealing, and fraternal love that we lavish upon our blood brethren. Here is a pleasant doctrine to speculate upon when one is old, wealthy, and done with the trials and battles of a hard, practical, Chinese career.

This is the manner of thinking which governs Chinese politics as well as Chinese village life. It is the ancient patriarchal code of all peoples. It is a standard of public ethics which no Western nation has entirely lived down, but which is found in its pristine simplicity in China, where the once universal ancestor worship prevails. It is a code that is hard to reconcile with any form of democracy except that within the smallest communities because the extension of family virtues beyond the pale of the clan settlement has never been either attractive or practicable to the Chinese people. By some exercise of the imagination high officials under the old Imperial regime were able to give the loyalty and devotion to the service of the Emperor that they would to a venerable ancestor, by conceiving of him as the patriarchal chief of the Han clan. When imagination was stunted, fear helped out, and among the masses, where imagination was at a premium, a very little of this abstract quality, the prospect of the poised bamboo rod, and the persistence of the tax collector, served to maintain the integrity of the body politic.

This old code of public ethics, this exercise of the imagination in quarters that fostered thinking, and the exercise of the rod where there was no thought, all served to hold China together admirably while she was isolated; and in isolation the family of Han might have gone on happily and cheerfully to the end of time.

Foreign intercourse rudely intruded, however. China came into touch with nations made up of individuals no more virtuous than the individual Chinese, but with codes of economic ethics several thousands of years in advance of the patriarchal code. From the moment that this contact began the patriarchal empire was doomed. There is some argument now as to whether a republican or an imperial form of government is best suited to China. The form of government has nothing to do with the vital core of China's problem. The spirit of the people in their social relations is the only essential political factor in China. One can no more build a modern Empire upon the patriarchal code of social obligations, than he can a Republic. The Empire failed, not because it was an Empire, but because it was a government on a vast scale held together by a scarcely more expansive conception of social duties than that which binds the members of a savage's family to one another and prevents them from butchering and eating one another. Foreign intercourse has made it impossible for the Chinese people to continue to exist as a free and independent nation, unless they will alter the whole spirit of their social organization. The form is incidental. The change must come in the people. Whenever the Chinese people conceives itself as a nation, as a state dependent upon the mutual service, mutual sacrifice, and devotion of its individuals to the Chinese people as a whole, China will become a nation in the true sense of the word, and the form will take care of itself. Until this change comes in the spirit of the people, no political system, democratic or imperial, will bear comparison with the Empire of the Mikado, the democracy of Great Britain, or the republicanism of America. Just as there can be no just comparison of morals where moral standards differ, so there can be no comparison of governments while the social standards on the one hand are still those of the patriarchal group in its battlemented family fort, and while the rest of the world insists upon the standards of universal fraternity and in radical quarters condemns even patriotism as national selfishness.

To claim in the presence of intelligent Chinese who know something of Occidental institutions, that the Occident has attained anything like that expansion of public spirit which breeds either perfect devotion to the interest of the state or to the still larger interest of humanity, would be to expose Western civilization to ridicule. But whatever national integrity we do enjoy, whatever respect any one nation commands in the eyes of another, and whatever international good feeling we have cultivated, can be traced to the existence of public spirit in the Occident. In fact it is the one essential political factor

which makes nationality possible in the West, where the rule of the club and knout is no longer tolerated. Under the modern code it is a crime to knock down a blood relative with a club, and it is equally a crime to knock down a perfect stranger in the public highway with a club. Under the patriarchal code it is a crime to club a blood relative, but it is more a risk than a crime to club a perfect stranger in the open street. Indeed if there is no risk and if the perfect stranger has anything on his person that would enhance the prosperity of the patriarchal group it is rather a virtue and a duty to wield the club. No one would imply that the Chinese code is as crude as this illustration, but it is apparent from this that where patriarchal morals prevail, the State, made up of more than one family group, must be held together by the club and knout, and that it is only in a political group in which public spirit has to some extent taken the place of the narrow patriarchal code that a democracy, a government dependent upon mutual sacrifice, help, and forbearance, upon united effort in the interest of the whole organization, is practicable.

To emphasize a principle, for the sake of contrast, the social shortcomings of the Chinese have been over emphasized. Widespread ignorance among the masses does more to obstruct the growth of public spirit in China than an obdurate adherence to ancient standards for the mere sake of these standards. Economic conditions are hard; the interpreters of western civilization who return from abroad intent upon reshaping China are for the most part the poorest of interpreters, and are nearly all bad copyists. The externals of modern institutions are mistaken for the essentials, and those in China who aspire to new things are exhorted to a change of raiment instead of to a change of heart. The Chinese people, though independent within their family palisades, are a docile, teachable people, and have a great abundance of common sense. Though their economic creed is a survival of the stone age they have little of the violence of the stone age, and are opposing passive indifference rather than force to the growth of public spirit and the establishment of the institutions which are founded upon public spirit. China therefore needs intelligent instruction much more than the knout and club. In spite of the fall of the empire and of the patriarchal "ten-thousand-year-grandfather," the official class in China retains much of its paternal sway over the 400 million sons of Han. While this influence exists, before it is wholly scorned, and the hungry masses rise in the conviction that republicanism means every one for himself, the abolition of authority, the abrogation of all law—even the old code of the family—it is the duty of the official class to breed in the people the new doctrine of true democracy, public spirit, which is an expansion rather than an abrogation of the old virtues of the family circle, the rigid laws of right and wrong which the Confucian code has made binding at least within the clan fence. This is what the official class is not doing, and this brings us to another answer to the question: What is the matter with China?

In the old China, officials were recruited by public examination, by appointment from among the clerical followings of high potentates, and from the extremely limited ranks of the few who pushed themselves to the fore by their own vigour and energy, or by their ability to make friendships and use them. To these have been added in this era of change and uncertainty, the returned students and the "heroes," the more or less successful revolutionaries, rebels and mere bandits who have extracted appointments from a weak central government by campaigns of persistent trouble making. These various classes of officials are roughly grouped as the old and the new, and in the same rough way the old officials are generally charged with ignorance of modern political institutions, and the new officials, particularly the returned students, are charged with ignorance of China and Chinese institutions. There is truth in both these charges, but a more vital charge still which is brought against all classes of the new and old is that whatever their origin all persist in regarding official appointment as a charter of exploitation. The same lack of public spirit which prevents the masses from constituting themselves a check upon misrule, and leaves the official classes free to make the most of their exalted positions in their own interests, with nothing either above or below them which they

sincerely respect, prevails among the rulers themselves, and the tradition of selfishness has survived the tradition of responsibility, to the great sorrow of modern China. The cynical foreign assumption that there are no honest officials in China and that an honest, patriotic administration is an impossibility, is not quite just and fair, but it is founded upon long observation and experience, and six years of Republican experiment have only served to confirm the cynics in their sweeping assumption. There are of course marked exceptions, and in seasons of national trial hundreds of officials of all classes rise above their self-centered struggles for wealth and prestige and present a heroic front to outside aggression and tyranny. But this is only in keeping with the old family tradition. When the Occidental clans, or the Japanese clans, threaten the clan of Han, the champions of the great Han family face the enemy and fight for themselves and their kin; but once the menace of foreign aggression is withdrawn, indeed if there is a mere parley in the assault, the little clans within the big clan turn upon each other, rebuild the walls and bar the gates of their family fortresses, and once more it is Li against Liang, Wang against Chou, Chang against Hsu, and so on by infinite permutation through the "hundred names." When the big Han clan is at peace all the hundred little clans struggle for the big clan's common treasury. Even the idea of race brotherhood, narrow as it is, is too broad for the Chinese mind trained through centuries of pre-Confucian tradition, in any season but one of extreme trial and stress, when the pressure comes from without. Economic conditions and the inculcation of the family idea to the exclusion of all else have built up a seemingly unbreakable tradition in China, according to which the official is expected to be irresponsible to all but three calls upon him—family affairs, invasion from without, and money. Duty to the emperor-patriarch was a fourth, but that is gone now, and with it has gone a good deal of valuable idealism—antiquated of course, but worth preserving until it was replaced by something better. This something better, which we call public spirit for want of a better term, one might expect the returned students to bring back in abundance. Some of them do bring it and some do not. Some of those who return full of public spirit, lose it in contact with the old institutions and the old traditions, and the others, those who preserve it, generally fail to learn enough of the old traditions to battle with them or to adapt their new traditions to the needs of the country. They bring back foreign institutions, foreign mechanical devices, foreign customs and laws, and a great deal that is superficial and more a burden than a benefit, and show tremendous enthusiasm in forcing it wholesale upon their startled countrymen, forcing them to adopt it all without any measure of adaptation. They do not stretch the new garments to fit China, they try to squeeze China into the new suit freshly imported from New York, Paris, or London; and the son of Han, if for peace's sake he complies and wears the gear, does so in a sullen, rebellious spirit which prompts him to slip off into privacy and rip the new clothes up the back at the first opportunity. Some of these Occidental garments are the various constitutions, the various penal codes, the various systems of law courts, the various schemes of currency and taxation, which still bear the tags "made in Japan," or "made in America" and which the conservatives are forever busy slitting and ripping, either covertly or openly according to the measure of their patience and endurance. In this manner China wastes precious years and decades quibbling over the unessentials, while her national life is endangered and her future independence becomes more and more precarious, as the diplomacy of the world tends to center in the Far East.

The old officials long for a cure but are ignorant of their ailment, the new officials fall into their errors, or import quack panaceas, which make little or no impression upon the seat of trouble. And all the while the great mass of the Chinese people weary of it, foster a growing contempt for authority that is manifestly blind, discard even the primitive virtues in a blind quest for new standards, and grow more clannish and self centered as the narrow selfishness of their leaders becomes increasingly apparent. The "ten-thousand-year-grandfather" sat upon a high summit in a purple haze. He represented the apotheosis of the family relation, an ideal which once transcended local selfishness and provincial feuds. With the coming of the intruding Occidentals, there came a blast from abroad that blew away the purple haze, and now the patriarch

himself is gone. The cruel glare of reality beats upon Peking. It is seen to lie in a flat sordid plain instead of upon a great summit. The patriarch is gone, the ideal is gone, the men who bustle about the great halls of state are only clansmen of the hundred selfish clans of Han, no better and no worse than the 400,000,000 other warring clansmen in 22 provinces—so it's back to the feuds! Up with the family ramparts! And down with authority!

The official classes are failing as rulers and as teachers. They cannot command respect, because they share the selfishness and the clan spirit of the people, and they cannot inculcate into the people the all important public spirit which would make democracy in China possible, because they are too busy working for themselves and the "nine generations" within their stoutly walled courtyards. A well known Chinese scholar and philosopher recently said that in the masses lay at once the hope and the menace of the Chinese nation. Among the people are still preserved the primitive virtues together with the primitive patriarchal traditions. If the Chinese people can be taught the new idealism, can be taught the idealism of democracy before they have utterly abandoned the old idealism of the Confucian era, a new official class may be drawn from them, full of the vigour, honesty, and courage that is characteristic of the plain Chinese people. If on the other hand the present official class in China forces the masses into an abrogation of the old virtues, into contempt for authority, and into an abrogation of the old standards which have held the people together for thousands of years before the new standards are learned, there will be anarchy and division in China, there will be a general sacrifice of all that is worth while in Chinese civilization; the Flowery Kingdom will become a lawless, beautiful, vulgar coolie-land, and national integrity will go the way of national pride.

Something of this is going on in Japan, but the Japanese, with more foresight and a more compact field, have anticipated it and have armed themselves against such national disaster. While the ruling ideal of devotion to the Mikado, the son of the Sun Goddess, is waning and has been waning for many years, the leaders of Japanese thought have been working frantically to build up a public spirit which would take its place when the old loyalty, in the inevitable war with Occidental ideas and ideals, should die; and a tremendous devotion to Japan, a new spirit of service, sacrifice, and duty to the body politic has grown out of an adaptation of old ideas and old philosophies to modern conditions, and of modern institutions to the needs of an old fashioned people, which will hold the Japanese nation together when the last shred of the purple haze blows away from Tokyo, and the son of the Sun Goddess becomes a mere citizen of Japan. With all the care of the ruling classes, vulgarity has crept into Japan, all that is superficial in Occidental life, together with much that is anything but ornamental, has been imported wholesale and foisted upon the Japanese people, just as in China, but the Occidental idea of nationalism, the public spirit which makes Western democracies possible, the spirit as well as the form of what is best in modern Western life, have been inculcated by a competent ruling class as fast if not faster than the vulgarization of what was best under the ancients, and national integrity is securely founded upon the spirit of the people.

To this object lesson China is blind; her official classes, her decadent literati, her inept legislators, her wild-eyed reformers, are blind and indifferent. The immediate need of the country, more pressing than her need of mines, mills, aeroplanes, machine guns, forests, or financiers, is a new spirit to give her strength to weather this period of violent change and over-enthusiastic demolition of old laws and institutions. This spirit can only come from an education that begins at the top and filters down through the dense masses to the lowest strata of Chinese life. It must be a prompt, thorough, and all-permeating infusion of public spirit, and the prophets of this new doctrine must of necessity be the men who, by virtue of their positions, still command the respect and attention of the common people. They must talk fewer platitudes and more real patriotism, work less on the strengthening of their family, clan, or party battlements, and more in the interest of the nation in their keeping, set an example of public service, sacrifice, and respect for such authority as exists, and feel themselves less responsible to the four generations behind them and the four to come, and more responsible to the people whose funds and powers they hold in trust.



BODY OF CHINESE TEACHERS, NORTH CHINA LANGUAGE SCHOOL, PEKING

"Talkee Talkee"

The Study of the Chinese Language by Foreigners

It is safe to say that every foreigner in China would like to speak the language of the people amongst whom he or she lives, but unfortunately the majority of Europeans and Americans are content with the expression of the wish and make no effort to acquire a working knowledge of the Chinese language. Many with good intentions may have been deterred by the advice of "old China hands" that the effort was not worth the trouble involved, and that the compradore and the interpreter were designed to save the business man from such worries. Some of these old hands even went so far as to declare that it was impossible for the average Occidental to learn the language at all, that the few who succeeded were the exceptions which prove the rule. If these assertions did not prove sufficiently discouraging, it would be gravely added: "If you do learn Chinese you will go crazy if you were not crazy when you began." Such views, however, are no longer current, and there is a growing conviction that if the Anglo-Saxon is to succeed commercially in China and capture a share of this great market he must possess a knowledge of the spoken language. In support of this change of opinion we have only to point to the activities of Chambers of Commerce in the various Treaty Ports in promoting schools for the study of Chinese. Such schools have been established during the past eighteen months in Shanghai, Hankow, Canton and Tientsin (Hongkong should be mentioned also in this connection) because it has been felt by those competent to read the signs of the times that foreigners must get into direct communication with their Chinese customers if they are to continue in business, or if they are to extend their business. The war will have the result of intensifying foreign competition in China so much that there will be no place here for the European or American merchant who cannot make himself and his goods known directly to the prospective customer. In other words, the methods of the past will be rendered entirely obsolete.

Fortunately the appreciation of the need for a knowledge of the language synchronises with new ideas which are influencing

the method of teaching. No longer is it necessary to spend hours with a teacher engaged in apparent meaningless repetitions. The direct method has changed all that, at least for those who take advantage of it. The Phonetic Inductive Method, devised by Dr. Thomas F. Cummings, is based on the very simple fact that as we learn to do by doing, so we learn to speak by speaking. It realises that language is primarily speech. Hence if we learn the colloquial we get into speedy and direct communication with the people of this great country.

One of the most successful of the few schools in China which employ this direct method of teaching is the North China Language School in Peking, which was inaugurated to meet missionary needs, and is directed by the American Board Mission, the American Methodist Mission, the American Presbyterian Mission, the Church of England Mission, the London Missionary Society, the Young Men's Christian Association and the Young Women's Christian Association. This splendid organisation has developed from the nucleus formed in 1910 by Dr. W. H. Rees, who was appointed by the London Missionary Society to organise and conduct a language school in Peking. The school soon proved its usefulness, with the result that when Dr. Rees in 1913 discontinued his work, it was taken over by the Missions in Peking. Under this control it made such progress that it was found necessary to appoint a full time director to take charge of the school, and Mr. W. B. Pettus, B.A., Columbia University, was appointed to the position in 1916.

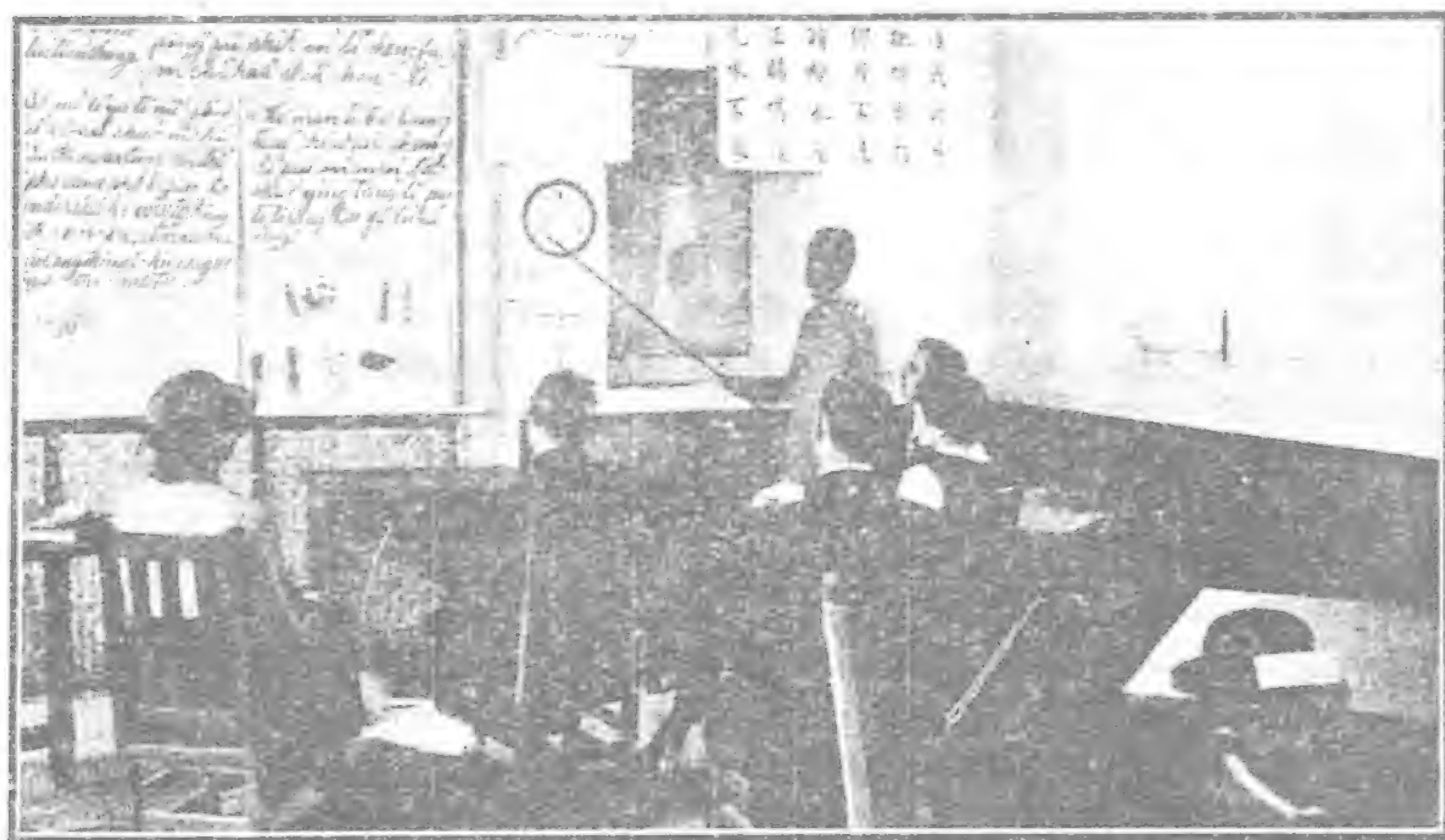
For two years the North China Language School in Peking has been working on the modern lines which recognise the phonetic basis, the methods being those advocated and used in Europe and America by the members of the International Phonetic Association of which Professor Daniel Jones of London University is Secretary. This Association includes in its membership the leading modern language teachers of England, the Continent, and Europe, under several of which members Mr. Pettus received his professional training. The results



IN THE CLASS ROOM

achieved here have been startling. As the *Peking Daily News* pointed out in a leading article on "Language Study in China," "Its students go from it at the end of a comparatively short time with a working basis of Chinese thoroughly well grasped." The manner in which this is accomplished is perhaps worth explaining.

In the first place the language is taught by teachers who have been trained to teach. It is the teacher, and not the student, who takes charge of the work. The methods or lack of methods of the old *hsien seng* give place in this school to scientific teaching. These trained Chinese teachers—and there are half as many teachers as there are students—are under the supervision of the Director, who sees that the whole work is co-ordinated and well ordered. The tuition is divided into three portions, namely, general class work, group work, and personal teaching. These alternate, with the result that the students can have several hours personal training and several hours as members of a group of half a dozen or less meeting in one of the many rooms set apart for this work. All are encouraged to speak and to express themselves. (Note the illustration of the Chinese teacher with his group). Learning in this way is much more agreeable than in the old way in which the personality of the teacher was subordinate to that of the student. He realises that he is actually speaking Chinese and Chinese which can be understood.



GROUP INSTRUCTION

After six months of this training specialisation begins. That period has been found to be necessary for foundation work. Missionaries, doctors, school teachers, Y. M. C. A. workers, housekeepers and nurses then branch off into their respective phraseological departments.

So far the School has been availed of by the men and women of the callings mentioned, but there is no discrimination on the part of the authorities of the School in favour of missionary workers. All who desire to learn the language are welcome. Students from any walk in life are invited. Already the Legations of the United States and of the Netherlands, recognising the value of this institution, have decided to send their language students to its courses and so have their language studies directed. Other Legations may do likewise.

The work of the School does not end here. Institutions and men in the interior send their language teachers to be trained in this School. The wisdom of such a course is obvious. If the teacher is taught the most up to date methods in the profession the benefits derived thereby will be passed on to many others who are struggling in interior stations to master the speech of the people around them.

As a matter of fact, the North China Language School, astonishingly successful as it has been, is only in the embryo stage. It is bound to advance to a greater usefulness and greater scope, reaching to proportions of which perhaps its founders did not dream. Not merely will it include students of the missionary type, for whom it was originally devised. In its class rooms will doubtless be found students from the Legations, from Chambers of Commerce, and from commercial



TEACHER'S INSTRUCTIONAL CHART

and professional offices. Men and women who never before thought of learning the language will feel constrained to take advantage of the facilities within their reach and acquire some knowledge of the Mandarin tongue, especially when evening classes are commenced, as is planned.

No other school or college for the study of Oriental Languages can hope to equal the instruction given here. What school, for example, has forty or more Chinese teachers simply to teach Chinese to foreigners? Certainly none in Europe or America, or for that matter outside Peking. Where better can the language be studied than in the capital itself? Where also can a more comprehensive knowledge of the nation and its institutions be obtained than in Peking? The North China Language School is fortunate in being able to offer all the advantages cited. Nine-tenths of the time of the students is spent with Chinese teachers. The remaining small proportion is with foreigners. A feature of the work is the lecture course. Men who are engaged in the subjects they deal with are invited to lecture to the students. Thus Dr. C. C. Wang, of the Ministry of Communications, discourses on railway enterprise in China, Dr. D. W. Lyon on the Fundamental Social Philosophy of China, Dr. A. H. Smith on Village Life in China Prof. L. R. O. Bevan on Constitutional Development of China etc.

The School, located in a series of semi-foreign buildings on the Teng Shih K'ou, is admirably arranged for its varied work. It has a general class room and smaller rooms in which groups are accommodated, while it has also an innumerable number of little apartments in which the personal tuition can be given during the winter months. In summer the verandahs are more suited for this purpose.

YELLOW RIVER BRIDGE TO BE REBUILT

The authorities of the Peking-Hankow Railway are now considering the question of rebuilding the bridge which carries the railway from Peking to Hankow over the Yellow River. The bridge was originally built as a temporary structure, and the time has come when serious attention must be given to it. Extensive repair work will have to be undertaken immediately, and it is stated that a sum of \$11,000,000 will be required for this purpose. The erection of a permanent structure will be a large undertaking, and if it is decided to replace the present bridge it is possible that a site will be selected some distance up stream, which will mean a deviation of the track from the existing route. It is felt that at the present site the river might at any time change its course, and to avoid loss and possible disaster a locality will be selected where the river shows less chance of breaking away.

Constitutions and Common Sense

[By "AN ONLOOKER."]

In most Occidental countries constitutions have been the crystallization of the elemental traditions which the various peoples have amassed in the course of their political development. For this reason a constitution is in most modern democracies a compendium of the rules and rights of the whole body politic which have been whipped into shape in the course of long and trying struggles between mobs, monarchs, demagogues, patriots, professional politicians, sociological dreamers and theorists, and all the other actors who appear upon and retreat from the public forum in the course of a nation's history. It is only at the climax of a series of struggles between these various elements in a State that a constitution may be put upon paper with any hope that it will remain for more than a season the permanent political manual for a whole people. Issues must be fought out and settled with decision and finality, social institutions must have passed the experimental stage, before any one man or any clique of men can presume to draw up a rule of social or political conduct and say: "this shall be the inviolable law for ever and ever."

The Chinese, and the Chinese constitutionalists particularly, groan over the failure of constitutional government in China. That China has had three constitutions in six years, that no one of them pleased every one, that a fourth is likely to be perpetrated in the near future, and that it is likely to be just as unsatisfactory to a fair proportion of the few in China who know what a constitution is—all these things have caused much spiritual pain, heartache, and anxiety for the serious minded. As a matter of fact the constitution makers have taken themselves entirely too seriously. They have sat in their council halls, surrounded by the din of political controversy, by the noisy growth of new social institutions of which their fathers never dreamed, in the very heart of a social ebullition which is just beginning instead of just ending, and have imagined themselves the wise lawgivers for a thousand generations of Chinese to come. Instead of building an edifice which might have lasted a decade or so under present circumstances by adapting the accumulated social experiences and traditions of the Chinese people for the last millennium or so to modern needs, they have been obsessed by the new name which is being applied to their country—the Republic of China—and have in two instances at least worked under the spell of this imported name in the shaping of a set of rules and theories, imported like the name, foreign to all Chinese tradition and experience, taking into account no more of the possible future than the settlement of their own immediate disputes with their political rivals as dictated by expediency.

The Nanking Document

The founders of the Chinese Republic shaped a document at Nanking in March, 1912, under the spell of which China is still struggling, which they somehow had the grace to dub "provisional." This was written with the knowledge that Yuan Shih-kai would be the first President of China and whatever in it was not borrowed from Occidental books on constitution making was written with the especial purpose of making Yuan Shih-kai as much of a puppet in the hands of a radically progressive legislative body as possible. Much may be forgiven the drafters of this document, however, as they never pretended that it would outlive the immediate exigency. The fashion of making constitutions to bolster up one's political creed and political needs was however established, and when the progressive legislature and the constitution writing body were hustled out of Peking by Yuan, that Dictator turned out in May, 1914, a "revision" of the Provisional Constitution, known as the Constitutional Compact, in which the powers of the President were almost unlimited and the legislative bodies were reduced to the status of an advisory council. This was also in a sense provisional, but when arrangements for the drafting of a permanent

constitution were announced, it was patent to the whole world that the permanent organ would be little more than a confirmation of the dictatorial powers entrusted to the Chief Executive by the Constitutional Compact. The monarchy movement, the subsequent death of Yuan Shih-kai, and the recall of the disbanded Parliament put an end to the drafting of a constitution which would have turned over to Chinese Presidents, "for ever and ever", something like the autocratic authority of the Mikado, and initiated a new era of constitution making which only came to an end this last Spring with the dismissal of Tuan Chi-jui from the Premiership, the coming of Chang Hsun to Peking, and the dissolution of Parliament for the second time.

To Meet New Conditions

The makers of the Provisional Constitution had a strong and self-willed President in mind when they drafted the clauses which limited his powers. When the draft of the latest constitution came up for consideration in Parliament during the autumn, winter, and spring, of 1916 and 1917, the shapers of the document, which was to have been the foundation of Chinese government until the end of time, discovered that they had not only to allow for the whims and fancies of an aggressive President, but were face to face with a new political situation brought about by the disagreement between a friendly but unaggressive President and an energetic Premier who contrived to win the ill will of the legislative bodies and to oppose in many instances their particular whims and fancies. The new constitution was therefore modified and adopted in a form which was thought to safeguard to the end of time the interests of the existing Parliament—and incidentally of all future parliaments—and to put efficient checks upon the activities of all future Presidents, Premiers, Cabinet Ministers, judicial authorities, military chiefs, and all other officials who might perchance question the right of the legislative bodies to have their own way in all things and especially in those things pertaining to their own organization, security, comfort, and emolument. To say that this document was not entirely satisfactory to all who had reason to regard themselves as prospective Presidents, Premiers, Cabinet Ministers, judicial authorities, or military chiefs, would be to put it mildly. It became apparent at once that it was a charter written by a legislative group with a questionable right to a tenure of office and a record which did not inspire confidence, granting all possible rights to that group and to its successors, whom it is proposed to control, placing all authority for the enforcement of the charter in the hands of the group and making the document inviolable and unamendable by others—in short putting outside the pale of the law all who might question the authority of the group to insure "until the end of time" its own political ascendancy. For these reasons China is still under the Provisional Constitution and is contemplating a third "revision" of it.

The text of the new constitution, which was nearing completion when Parliament was dissolved on the 12th of June, was published in the July issue of the *Far Eastern Review*. The first criticism which occurs to the mind of the average foreigner, after reading the assembled clauses is this: It is a document written and adopted to supply the immediate political needs of the predominating faction in the Chinese Parliament, and not to supply either the present or the future political needs of the Chinese people. It does not take into account either the social organization or the state of economic education of the Chinese people. It ignores completely the political theories and doctrines of the huge conservative element at a time when this element has still to be counted upon for strong and vigorous political opposition. It reads like the triumphal pronouncement of an overwhelmingly victorious progressive faction in China, when as a matter of fact it is only the pronouncement of a minority holding the legislative

stronghold by political chance, which seeks to substantiate its position by making fetishes of the twin terms "republicanism" and "constitutionalism." One can scarcely expect permanency under these conditions and yet the opening clause has it that this Constitution is to be "handed down unto the end of time."

The first constitution—the Provisional Constitution—was so written that while the President was carefully circumscribed, there was no supreme authority vested in President, Cabinet or Legislature, and was so full of loopholes and weaknesses that it could be twisted and interpreted to suit almost any one's ends. Yuan Shih-kai's Constitutional Compact remedied these weaknesses by centralizing all power in the person of the President and giving him the power to interpret doubtful clauses as he saw fit. The latest constitutional product swings to the other extreme and puts all power in the hands of the legislative body, which alone has the right to suggest and make amendments and is the sole authority upon the interpretation of doubtful clauses in the event of future controversy. As long therefore as it should succeed in maintaining public and official reverence for the constitutional fetish of its own erection, the power of the body would be absolute. This is almost true of legislative bodies in some Occidental countries, but in these countries the legislative bodies are representative of and responsible to the electors—usually to the democracy. The technical weakness and the actual strength of the late parliament's position in China was that it was responsible to no one and representative of nearly no one. It resented control from above fiercely and vociferously, and those below—the people of China of whom it was supposed to be representative—were for the vastly greater part almost wholly ignorant of its existence or its activities, and therefore neither could control, recall, or criticize it, nor could it express through any audible medium its disapprobation. When one calls upon the people of a province for an expression of opinion in China one calls upon the highest official in the province, the man who is in the best position to control or suppress opinion, not the man who represents it, and he solemnly responds, giving his own theories or the theories which Peking or some other political center dictates, and as solemnly quotes the people for substantiation, well knowing that he will not be contradicted. When the present members of Parliament were elected in the early days of the Republic, these solemn spokesmen for the people were their men, and upon the authority of these, their fellow partisans, they assumed office. Now, however, that things have changed and the provincial leaders are no longer of their faction, the Parliamentarians are careful not to call upon the "voice of the people", but to hark back for their authority to those now silent voices which dubbed them "sacred representatives" for their charter of monopoly upon all political rights. The body itself was in reality little more representative than the council appointed by Yuan Shih-kai to substantiate his position, but because it was generally believed to be representative of the ideals of constitutionalism and democracy it basked in the favour of foreign and native economists and was charitably granted the title "representative body". Its authority for inflicting a bad constitution upon the Chinese people was no better than Yuan Shih-kai's right to issue a mandate appointing himself emperor, but as a matter of expediency, in a season when China could not afford to quibble about technicalities, it was given *carte blanche* to work out a sane constitution for the new Republic. Had the product been a satisfactory one, the authority of the constitution making body would have been recognized as a matter of expediency and would have become the fundamental law of the land, but by drafting a document which conservatives regard as outraging the opinions of the great mass of Chinese office holders, the late parliamentarians have opened the way for their opponents to remind them that their authority is dubious, that they are not really a representative body nor a responsible body, having no check either from above or below, and that they cannot foist upon their political opponents a perpetual document which is so apparently a guarantee of their clique's perpetual privileges, by the mere flourishing of the "sacred representative" hocus-pocus in the placid countenance of the Chinese nation.

The document guarantees to the National Assembly—the Senate and the House of Representatives—the exclusive power of legislation, the right to determine the number and qualifications of its own members, the right to open and close its sessions without executive interference, the right to impeach, try and pass judgment upon all executive officials, the right to pass a vote of want of confidence in the Cabinet, the right to insist upon the trial and punishment of any officials whose conduct does not meet its approbation, the right of exemption from arrest for its members, and the right of deferring indefinitely the trial of any member who is caught in an offense against the law, the exclusive right of passing upon its own allowances, expenses, emoluments, etc., the right of nullifying the presidential veto by an ordinary vote, of nullifying a declaration of martial law, of preventing the President from restoring rights to impeached officials, of reorganizing judicial courts and qualifications by legislation when judges do not meet with approval, the right of approving the appointment of the chief justice of the Supreme Court, of approving the appointment of the chief auditor, the right of a general control over all finances, and finally the right of settling to its own satisfaction any dispute about its numerous rights as prescribed in the constitution—the sole privilege of interpreting and amending the constitution. When it is understood that the Parliament which has so liberally endowed itself with rights and has so carefully checked the activities of all other branches of the government, returned to its council halls last autumn by sufferance and on its good behaviour, the effect which this bill of rights has had upon the minds of the conservatives, who have been twitching restlessly throughout a session of parliamentary squabbling and ineptitude, can be better appreciated.

Apart from these special favours which the legislative bodies have lavished upon themselves in their permanent constitution, there are certain other sins of omission and commission which have stirred the wrath of the conservatives and have caused them to call for a new draft by a new body.

Elections "According to Law"

In Articles 22 and 23, it is pointed out that while it is stipulated that the Senate is to be called the Senate and the House of Representatives the House of Representatives, that the one is to be elected by local assemblies and that the other is to be composed of representatives elected according to population by the various electoral districts, there is no limit put upon the numbers to be admitted, there is no system of election hinted at which would prevent a repetition of the election scandals of 1911, or the more recent senatorial campaigns, and there is no further promise of a drafting of such regulations than the assertion that they will be elected according to law—presumably by law enacted by the legislative bodies to suit the immediate needs of the hour.

One of the most persistent criticisms of the late Parliament was directed at its size and manifest unwieldiness. In the discussion of these articles of organization it was therefore hoped that the size of the body would be reduced, its growth limited, and the methods of election, carefully planned and defined to guarantee something like popular representation, and efficient work in the two bodies. The question of numbers was discussed. Suggestions for limiting the number of representatives were made, but the opinion of the majority was that if France could afford a representative for every seventy thousand of her population, 800,000 Chinese could certainly afford one "sacred representative" in Peking. As this was considered sufficient answer to all queries, the articles were passed as they stand.

Provision is made in the Constitution for the dissolution of the House of Representatives by the President, in the single instance of a vote of want of confidence in the Cabinet, but no provision is made for the dissolution of the Senate. This the champions of the Cabinet system consider unjust inasmuch as the legislative bodies share between them the right to impeach and try the President and the whole Cabinet. They point out that by this arrangement an obstreperous Parliament could always remain in the ascendancy. Suppose, they say, the House of Representatives passed a vote of want of confidence

in the Cabinet, and the President, instead of showing an inclination to remove the Cabinet seemed to favour a dissolution of the House of Representatives, the House could forestall such a move readily enough by impeaching the whole executive force of the nation if necessary, and the Senate, before which they would be tried, could pass judgment upon them, thus supporting the Representatives. Further room for quibbling is provided by the clause which provides that one house cannot sit without the other. Although the President cannot dissolve the Senate, he cannot dissolve the House of Representatives without involving the Senate in the dissolution. Here there is room for "interpretation" of the Constitution and as the two deliberative bodies have the exclusive right to expound this sacrosanct document, they would doubtless interpret it to their own convenience, but whatever government were in power would certainly insist that since neither House can sit without the other and since no act can become law by its passage through one House alone, the President's right to dismiss the representatives would imply a right to get rid of the Senators at the same time.

Policy of Expediency

With an eye upon the career of Premier Tuan Chi-jui the framers of the constitution inserted a clause governing the dismissal of the Premier dictated by the political exigencies of the moment and thereby gave no little offense to the conservative friends of the Premier. It is provided in Article 81 that all Presidential mandates must have the countersignature of the Cabinet ministers to whose departments of government the business of the mandates pertain, but—and the exception is more marked because the rest of the clause has nothing to do with appointments or dismissals—no countersignature is required for the dismissal of the Premier. Having at hand a harmless and friendly President and a Premier whom they feared, the Parliamentarians made this hard and fast rule, without ever dreaming, it seems, that there might come a time when their strong opponent might be the President, as in the days of Yuan Shih-kai, and their champion the Premier. Such a reversal of conditions would doubtless cause them to regret profoundly the clause which permits a President to shake off a Premier on his own unchecked responsibility; but the Parliamentarians have not looked far ahead in any of their provisions. As a product of political expediency the document on the whole is short-sighted. It gives enormous power to an irresponsible group of men who are representative of nothing but the small group of provincial chiefs who control their elections. For the time being the concentration of such power in the two houses in which the radical and progressive elements have a majority is certainly to their immediate political advantage, but should these parties ever have a President and a Cabinet of their own choice placed face to face with a Parliament of their opponents fortified by the latest constitution they would have still more occasion to regret the policy of centralizing all power in a body which is so easily shaped by the provincial chiefs and so difficult to dissolve when once formed. The very fact that the political dictators of most of the provinces have been for some time opponents of the factions which are in the majority in Parliament would have made them thoughtful and cautious one would think, but the policy of immediate expediency and nothing beyond it seems to have controlled their councils.

The definite form which the government of China will take when the general mass of the people, the electorate, is sufficiently interested in constitutional government and sufficiently well educated in its duties to the government and to itself to make its influence felt, cannot even be surmised now. Those who do not know the utter indifference and the dense ignorance of the Chinese people in all matters of government, except the old Imperial system which relieved them of responsibility and left them nothing to worry about but the conduct of their own lives, cannot know how far China still is from anything approximating effective democracy, nor how little there is in Chinese "Republicanism" apart from its present force as a political slogan. Constitutionalism in China can for many years to come be little more than an ideal towards which the official classes must lead the people. The insight of the official classes

into political science is not great, and for the most part they are either extremely partial to wholesale adoption of foreign institutions without any attempt at adaptation, or blindly devoted to the preservation of ancient and decrepit institutions which have no place in a modern world. The struggle between these two forces is a fierce one in China and the political pendulum swings from one extreme to the other, from make-believe Republicanism, set upon very feeble props, to decadent imperialism with all its tinsel and spangles, and then back again, creating much panic, chaos, and anxiety as it swings, and clearing a broad field for the operations of the selfish and unscrupulous. Out of all this turmoil the Chinese people are getting nothing but very valuable wisdom and experience upon which a very few permanent institutions and a very few permanent principles are being erected, slowly but surely. When much more experience has accumulated out of a great deal of chaos there will be much wisdom and many permanent principles, and these principles will crystallize into the Chinese Constitution. The Constitution will naturally grow out of the struggle between the various forces in China and will not be either complete or permanent until this struggle has been fought out, and either a permanent victory or a permanent compromise effected such as the whole world will recognize.

In the meanwhile we shall probably have more constitutions and still more, each professing to be the eternal law of the sons of Han for all time, and each giving way as its short-sighted provisions are outlived, to still other documents to be handed down to remote posterity. The only doctrine which any Chinese legislative body can now hope to promulgate and embody in the permanent code of the Chinese people, is the very ancient Chinese law of the supreme authority of common sense. For many years to come expediency must be put above pompous documents in the regulation of Chinese politics, and common sense a higher authority than imported theory.

RAILWAY APPOINTMENTS

Immediately following the assumption of office of Mr. Tsao Ju-lin as Minister of Communications several changes in the railway service were made in order to secure efficiency in the department.

Mr. Yih Kung-cho was appointed Vice-Minister, and his knowledge of railway affairs, gained previously as Vice-Minister and Director-General of Railways, should be of great value.

Dr. C. C. Wang vacates his post as Councillor to the Ministry and permanently takes up the Directorship of the Peking-Hankow Railway. Just prior to the restoration of the monarchy he was appointed as Acting-Director of the Peking-Mukden Railway, and just began to initiate some necessary reforms with regard to the native staff when he was sent to the other line.

Mr. Chu Kin-how, who has had considerable experience on the Peking-Mukden line has been appointed Director, and that appointment is a popular one.

Mr. Ho Jui-chang has been appointed Vice-Director of the Chuchow-Chinchow (new American) Railway.

Mr. Chuan Liang, who vacated his post as Councillor to the Ministry, has been appointed to the Directorship of the Kirin Railway, but we understand that he has declined the post. Mr. Chuan Liang was acting-Minister of Communications when the monarchy restoration was effected.

Mr. Ting Shih-yuan has been made Director of the Peking-Kalgan-Suiyuan Railway.

Chiang Tsun-wei and Yao Kuo-chen have been made Councillors to the Ministry, while Kwan Ken-lin, Liu Fu-cheng and Hu Shih-tai have been made Departmental Chiefs.

YELLOW WORLD VERSUS WHITE

Japanese Mohammedan Foresees Titanic Struggle for Mastery in Which Japan Will Lead Asia Against Europe

That after the present struggle the white races of the world will turn their attention to the Orient with the object of exploiting its illimitable resources in order to heal the frightful economic wounds of war, is the underlying theme of an extraordinary article from the pen of Kyodo Kawamura (lit. "Madhouse" Kawamura) which appeared in a recent number of the *Shin Nihon*, Marquis Okuma's magazine. The immediate text of this philippic is what the author expressively styles "Pan-Yellowism and Mohammedanism," more especially as exemplified in China, and the duty devolving upon Asiatics as a whole to offer a united front to the forthcoming onslaught of the white races of mankind. In this struggle, he declares, the role of leadership against the whites will fall to Japan, to whom the Mussulman world defers as to a superior people.

There are about fifty million Mohammedans in China, who, if properly led, would represent a formidable power. Mr. Kawamura is the only Japanese who has studied Mohammedanism at first hand as an adherent. He was admitted into the fold at Chengtu, Szechwan, China, on September 12, 1914, and has travelled widely in China and Manchuria in quest of knowledge.

Quoting from a noted Chinese strategist of old, Sun Tze, who said: "We should depend not upon the thought that an enemy may not come to attack us, but upon our own preparedness against any hostile attack," Mr. Kawamura warns the nations against unpreparedness. He further quotes from general Bernhardt, the German writer, who said that the natural wealth of the world should be possessed by the white races who know how to make proper use of it; that the colored races should obey the white races, and that to conquer the colored and inferior races is to do them good in so far as they will thus be brought to the light of civilization. Mr. Kawamura thinks that it is natural for the Slavs to advocate Pan-Slavism, the Teutons Pan-Germanism, the Anglo-Saxons "Great Britanism," and the Latin races Pan-Latinism. But the colored races should not remain indifferent when a suggestion is made to divide the world into two parts, the white races and the colored. "We must depend upon our preparedness," he declares. Mr. Kawamura also finds reason to object to the reply of the Entente Powers to the note of President Wilson during the month of January, in which occur two clauses,—the seventh and eighth,—the first proclaiming that "the races suffering Turkish tyranny shall be released, and the second that the Ottoman Empire, which has proved to be fundamentally irreconcilable with Occidental civilization, must be expelled from Europe." This is an idea, Mr. Kawamura says, born of the fundamental prejudice of the Europeans against the Asiatic races. While the Europeans are engaged in an unprecedented struggle, they do not yet forget this fundamental prejudice.

"As for the Americans, they always raise a cry against the Yellow Peril, and insult the Hindus, the Chinese, and even the superior Japanese race to whom they refuse the privilege of mixed residence. They consider the yellow races unfit to receive the light of civilization, and unable to assimilate with the superior white races. They will not even accord them equal privileges before the law and try to exclude them by all means in their power."

"Since the beginning of the great European war, Europe and America have been kept busy and the world is wholly absorbed by the thought of war, having no time to attend to other things. But once the war is over, the white races will try to sink all enmities among themselves and turn their attention to the Orient. They will co-operate in raising the cry of the Yellow Peril. They will curse our Japanese Empire which has suddenly raised its head and will try to keep it down. At the same time, they will rush toward the treasury of the world, China, our next-door neighbor, in order to find a means of healing the many wounds which they have received in this war. Such is a conclusion clearer than the light of day.

And it will come, not in the distant, but in the near future. When the time comes, will the Oriental races be ready to meet the situation?"

Then follows a retrospective mood in which Mr. Kawamura asks:—

"How many nations of the yellow race are there which maintain national unity? There are only Japan, China, and Turkey. Other countries are under control of the white races, and are in a pitiable condition beyond description. It is an onerous task for Japan, Turkey, and China to advocate Pan-Yellowism and rescue suffering colored races from the oppression of the white. Turkey alone, situated in close proximity to the white races, is suffering from direct pressure of the latter, and is declining in power day by day. But we must remember that there are the Mohammedans, without a peer for bravery, who obey the behests of the true God, and would readily take up arms against the white races, if necessary, in order to voice the great principles of the Turkish people. These Mohammedans are a power to be reckoned with by those who want to execute the great principles of Pan-Yellowism."

After reviewing the history of the rise of Mohammedans against the Europeans in Turkey, Western Asia, and India, the writer reminds his readers that there are 1,500,000 Mohammedans trained in arms in Turkey, 4,000,000 in Africa, 2,000,000 in India, and several hundreds of thousands in Arabia and Persia, in all about 8,000,000 strong. An especially notable fact is that several hundred thousand so-called Hindu soldiers are all Mohammedans.

Here Mr. Kawamura gives something of the tenets of Mohammedanism, which, he claims, are not only superior to other faiths but are closely connected with war. The Mohammedans, in his opinion, would even sacrifice their lives for the sake of their religion. They have a fanatical courage.

"The Mohammedans will not readily lay down their arms. The men of the Holy Army sing:

"Learn of Japan, learn of Japan! What of the whites? We have heaven-sent swords! We have teachings of our Lord! Autumn has come, autumn has come! The best opportunity to avenge the wrongs suffered for a hundred years past has come!"

"All these Mohammedans are bound by a common tie of brotherhood. They will get together to punish the white races. The centre of their activity is in Turkey, Arabia, Afghanistan, Turkistan, Africa, India and Persia. But their influence extends into Morocco in the west and Manchuria and Mongolia in the east, which will mean 400,000,000 strong. It is possible that the world will be divided into two parts, the whites as against the colored races.

"But the Mohammedan countries have been oppressed by the Europeans so much that they are going down hill day by day. This is due to their failure to secure a leader to guide them. They are looking toward Japan to become their leader. They send men like Mr. Barakatula to Japan to convey their wishes to the Japanese. When the volcano of Sakurajima erupted a few years ago, Amir of Afghanistan sent 20,000 yen in gold as a contribution to the relief fund in order to show his respect for Japan. The Mohammedans are looking up to Japan to lead them in a struggle against their oppressors, the Europeans, under the banner of Pan-Asiaism or Pan-Yellowism.

"There are many religions in the world," Mr. Kawamura continues, "but in point of ardor and courage Mohammedanism is the most notable one. There are many races, but the majority of them are humanity without soul, spent-up bodies of men."

After telling what he has seen of the development of Mohammedanism in China and how many Mohammedan churches there are in such and such districts in that country, he concludes by saying that the responsibility devolves upon Japan to lead the Asiatic races against the white races. Such is her mission.—*Japan Advertiser*.

WORDS OF WISDOM FROM JAPAN

A Plain-Speaking Japanese Publicist shows where Mistakes have been made, and how Fears and Suspensions of Japan may be Dispelled

The following article from the pen of the well-known Japanese publicist Dr. Suyehiro, of the Kyoto University, translated from the May number of the Japanese magazine "Gaiko Jiho" (Revue Diplomatique) by the "Japan Chronicle," a British newspaper published at Kobe, contains so many pearls of truth, corroborates so emphatically the arguments so consistently advanced by the "Far Eastern Review," and demonstrates so clearly that a change is coming o'er the spirit of the dream in Japan (at least so far as some individuals are concerned) that no apology is needed for giving it wider circulation:

"Japan's policy towards China, which forms the most difficult part of the diplomacy of this country and which has the closest relation to Japan's destiny, is unfortunately in a condition far from satisfactory. Public opinion is not fixed on this point, and Japanese Cabinets are sometimes at variance with each other in the policy they pursue. Even under the same Ministry the diplomatic authorities differ in regard to our China policy. This regrettable state of things is most detrimental to the interests of the State, and consequently there is a crying need for the establishment of a radical policy. More especially is this necessary in view of the fact that after the war rivalry among the Powers in China will grow keener, and the Chinese question will consequently assume more important dimensions in Japanese eyes.

The Powers' Attitude Towards Japan

"With the gradual elevation of Japan's position in the world after the Russo-Japanese war, the Powers have come to regard Japan with suspicion and fear. For some years views have been prevalent in the Dutch Indies in favour of extending national defence in apprehension of a Japanese invasion. The feelings of deep regard and sympathy which the Indian people had for Japan at the time of the Russo-Japanese war have considerably cooled down of late. In America public sentiment towards Japan has lately grown markedly hostile. America's military and naval expansion programmes no doubt were largely due to the European war, but they would not have been carried out so easily if the Americans had not become deeply sensible of a probable clash between Japan and America over the Chinese question.

Sino-Japanese Relations

"Sino-Japanese relations have not improved since the death of Yuan Shih-kai, whom the Japanese generally regarded as a serious obstacle in the way of Sino-Japanese friendship, and consequently tried hard to remove. The prevalence of anti-Japanese feeling in various countries may be due to jealousy and apprehension regarding this country. The rapid progress made by Japan, which was at first petted for its dainty fine arts and cherry-flowers, until she now ranks among the first-class Powers, has excited the jealousy of the nations, as well as creating some feelings of misgiving. There may be many other reasons, but here is one great cause of this hostile feeling towards Japan and for which Japan must be held entirely responsible. **The main reason why estrangement exists between Japan and other Powers, especially America and China, is because of the aggressive principles constantly propagated in this country in recent years, and moreover, Japan's policy towards China has been far from proper.**

The Independence of China

"Japan has given her solemn pledge to respect the independence of China, the preservation of her territorial integrity, and equal opportunity for the commercial and industrial

interests of the Powers. This pledge is included in her Alliance with Great Britain and in her Agreements with America, France and Russia, and consequently the radical principle of her diplomacy towards China is already firmly laid down. This ought not to be affected by a change of Cabinet or for any other domestic political reasons. It is most important that the whole nation should unite in an effort to act up to this principle, and in fact this is the best way to promote our interests. **This radical principle, however, is evidently sadly neglected by the Japanese Government and people. The most flagrant departure from this principle is the advocacy by some of the annexation or partition of China. In other words, the annexation of Manchuria and Mongolia.**

Annexation of Chinese Territory

"It is superfluous to point out the impossibility of the theory favouring the annexation of Chinese territory. It might not be impossible for Japan to subdue that country with her army and navy, but to govern a nation of 300,000,000 people, who have a different civilization, and different language, ideas, habits and customs is a task next to impossible. The annexation of China would, in fact, prove ruinous to this country. Though in these circumstances, advocates of the annexation of China have become very few, the annexation of Manchuria and Mongolia appears still to have many advocates. Some people argue that the annexation of Manchuria and Mongolia is necessary for providing against Russian attack, while others assert that in order to put Japan in the way of supplying her own needs Manchuria and Mongolia—which are rich in iron, coal, cattle, horses and beans—must be placed under Japan's control. Others again hold that in order to preserve the territorial integrity of China, these regions must be put under Japan's control as a base for her activity in China.

It is obvious that such theories are injurious to Sino-Japanese friendship, and give the Americans cause for suspecting Japan's aggressive designs on China, thus also estranging the relations between Japan and America. Some people speak of America's recognition of Japan's special position in Manchuria, but this does not mean America's recognition of Japan's annexation of Manchuria and Mongolia. Would it be to Japan's interests to annex this territory in the face of American opposition? No. Annexation would only arouse among the Powers that lust for Chinese territory which has remained dormant for some time. If the partition of China actually takes place, the country who will get the lion's share will be Britain instead of Japan. Japan is in a position to make use of Manchuria and Mongolia to her heart's content without going so far as to annex them. It is, therefore, the height of folly to advocate annexation at the cost of friendly relations with China, America, and other Powers.

"The majority of intelligent people in this country seem to take the view that as it is more than Japan can bear to see the recurrence

of revolutions and civil disturbances in China to the detriment of peace and order in the East, political reform in China is urgently needed. The Chinese, however, are deficient in political capabilities, and it is next to impossible to expect them to do much in the way of removing evils and introducing reforms. If things are allowed to take their course, China's disintegration and her falling a prey to an ambitious country is a foregone conclusion. In these circumstances, it is contended, Japan ought to take the initiative in guiding China in the right path in political matters, by virtue of her position as guardian of China's territories. Other publicists urge that Japan should take advantage of the present world situation, while the attention of the Powers is concentrated on the conduct of a gigantic conflict and they cannot spare time or thought for Eastern affairs, to make the Powers recognise Japan's free action in China. By 'free action' these publicists probably mean Japan's securing a politically superior position in China, and obtaining the right of guiding that country in political matters.

The Group V. Demands

"The Okuma Cabinet actually made an attempt in this direction. In 1915 the Okuma Cabinet started the Sino-Japanese negotiations, and in the so-called Group V. demanded that China should engage Japanese Advisers on political, financial, military and police matters. **It was wrong of the Okuma Ministry to make such demands upon an independent State like China,** and it was quite natural that the Chinese Government offered the bitterest opposition to them. The Japanese authorities would not have acted otherwise if they had been placed in the position of the Chinese. I am not opposed to the idea of China's engaging Japanese Advisers, but I take exception to the procedure followed by the Okuma Cabinet in trying to force Japanese advisers upon China. In my opinion, it is conducive to China's interests to seek the assistance of Japanese in carrying out various reforms of her domestic administration, whether it be in regard to taxation, currency, military or police administration, and, therefore I deem it quite proper for Japan to recommend the Chinese Government to engage Japanese advisers, but I regard the coercive attitude adopted by the Okuma Cabinet in this regard as most improper.

"Japan's demands in regard to the engagement of these advisers did not meet with China's approval, and the Okuma Cabinet arranged with the Peking authorities that they should be reserved for future negotiations on this particular point, but such people betray their ignorance of conditions in China in retaining such hopes. It is inconceivable that the present Chinese authorities, who are more patriotic than the bureaucratic statesmen who were at the helm at the time of the Sino-Japanese negotiations, can be induced to acquiesce in demands which were rejected even by the latter as humiliating.

The Danger of Japanese Advisers

"In some cases, China's employment of Japanese advisers calls for objection in the

interests both of Japan and China. Assuming that China had complied with Japan's demands specified in Group V., **would the Japanese raise no complaints against such advisers when they showed a genuine desire to further China's particular interests?** There is reason to suspect that the Japanese view Japanese advisers to China in the same light as the former Japanese financial advisers to the Korean Government, who were engaged in pursuance of the provisions of the Japan-Korea Agreement of August 22nd, 1904, and who made a point of considering Japan's interests first, under instructions of the Japanese Government. If the idea of making the Chinese Government engage Japanese advisers was suggested to the Japanese Government with the idea of securing for Japan a politically superior position in China, it would not be altogether unreasonable for the Japanese to regard Japanese advisers in that light. **If such advisers should be appointed to the Chinese Government, things would be brought to such a pass as to necessitate placing China under Japan's protection, and ultimately annexing her, just as Japan did Korea.** Setting aside the impropriety of Japan—who is in duty bound to protect the independence of China—thus trampling that country's independence underfoot, such a policy would surely provoke the strongest opposition from all the Powers who are interested in China, as well as from China herself. Moreover, the placing of China under Japan's protection would entail colossal armaments and an enormous expenditure for Japan; in fact annexation by this country would reduce Japan to a state of bankruptcy.

Yuan's Restoration Scheme

"Another instance where Japan ignored the independence of China was when the Japanese Government gave a warning to Yuan Shih-kai in regard to his scheme for restoring the monarchy, and the actions taken by the Okuma Cabinet in connection therewith. The Okuma Cabinet was under the impression that Sino-Japanese friendship was out of the question under Yuan Shih-kai's administration, and exerted itself to frustrate his restoration programme by assisting the revolutionists when they rose against the Central Government for the third time. The motives actuating the Japanese Government in interfering may not have been altogether objectionable, but the very act of interference was unjustifiable to say nothing of the impropriety of Japan making positive efforts in bringing about a republican regime in China. **The Okuma Cabinet even went the length of making common cause with the Manchu partisans and Mongolians against Yuan's Government, whose downfall it sought to bring about.** These irrational actions committed by the Okuma Cabinet had the natural effect of weakening the confidence of the Chinese in this country, and all efforts made to promote Sino-Japanese friendship were brought to naught. The Terauchi Cabinet is to be congratulated on its declaration of a China policy in favour of non-interference and indiscriminate treatment of all parties in China, and it is to be sincerely hoped that the Cabinet will act up to its avowals.

"It is by no means conducive to Japan's interests to uphold aggressive principles in dealing with China. It is, indeed, in the best interests of this country to act towards China in strict accordance with pacific principles. Japan ought not to deviate from the radical principle of preserving the independence and territorial integrity of China, and of upholding equal opportunity for the commercial and industrial interests of the Powers in China. While faithfully observing this principle herself, Japan should see that it is not violated by the other Powers interested in China. If any Power should go against this principle and dare to menace the peace of the Far East, Japan ought to stake even her national existence on the removal of such an obnoxious influence. Japan's national strength and her army and navy could most justly be employed for the high and noble purpose of

preserving China, instead of for the purpose of effecting her ambitious designs against China. And in this way Japan can fulfil her true national mission. Some people may think that such a policy will bring Japan no great benefits, but will it not be inestimable benefit to Japan if this policy enables her to safeguard the territorial integrity of China—essential to Japan's safety and the peace of the East—and to remove all the misgiving which China, America and other Powers have entertained about Japan's intentions? Again, the benefits that will accrue to this country from the huge market of China—possessing a population of 300,000,000 and an area of 4,000,000 square miles—being thrown open to the activity of Japanese commercial and industrial workers cannot be under-estimated. It is my firm conviction that the wisest policy for Japan to pursue is to steadfastly adhere to what has been regarded as the radical principle of her China policy for the past dozen years.

Economic, Not Political, Lines

"In short Japan's development in China must be along economic, not political, lines, and it is necessary for this purpose that China's territorial integrity should be preserved and that the country should be thrown open to the economic activity of Japan. The general trend of affairs in China appears, however, to be taking a course contrary to this ideal. Though the Powers have abandoned their scheme for the political partition of China launched after the Sino-Japanese war, the scheme of economic partitioning appears to be steadily going on. For instance, some Powers try to gain certain rights and interests by subscribing, single-handed, to political loans of the Chinese Central or provincial Governments or by investing capital in various big undertakings, while other Powers secure the right of working mines within certain zones on both sides of a railway they have laid. So long as Japan adheres to the radical policy of preserving the territorial integrity of China, it is incumbent upon her to offer a determined opposition to such procedure, inasmuch as it is merely another form of partitioning China.

Foreign Investments in China

"The maintenance of the principles of the Open Door and equal opportunity in commerce and industry is most essential to this country which has very close economic relations with China. Investments by the Powers in China naturally increase the purchasing power of that country, with the result that Japan derives tradal benefits therefrom. Consequently, **Japan ought to welcome foreign investments in China, though she must object to attempts on the part of any Powers to secure any monopoly rights which obstruct investments or the exploitation of natural resources by others.** It is more advantageous to Japan that the whole of China should be thrown open to the free economic competi-

tion of the Powers than that a part of the country should be secured as her own exclusive sphere of economic activity. In these circumstances, while abstaining from securing any monopolising rights in regard to her investments, Japan must not allow other Powers to obtain such rights. Some Japanese take the view that the present is a unique opportunity for Japan to make the largest possible investments in China in order to gain as wide an economic sphere of influence as possible, seeing that her wealth has greatly increased as the result of the present war, and that Britain, France, and Russia are not likely to recover their former economic strength for some years. Such people think it the height of folly to put restrictions on Japan's investment at the present juncture. Personally, I do not think that Japan's investing power is as large as they represent it to be. Though Japanese capitalists may be able to afford to make investments just now, it is impossible to say whether they will be in the same position after the war. Moreover, it is not likely that Japanese capitalists will prefer risky investment in China to safe investments in domestic undertakings. In pre-war days Japan lagged behind the other Powers in the competition for the economic partition of China. In the same competition after the war, Japan will probably show herself superior to Britain, France, Russia, and Germany for some time at least, but it is obvious that she will be no match for America in this line. It must, therefore, be concluded that the upholding of the principles of the Open Door and equal opportunity is to the best interests of this country.

Japan's Future Policy

"As in the past, Japan's policy must be formulated in accordance with the principle of preserving China's territorial integrity. **If Japan will pursue a pacific line of policy, all the suspicions and fears entertained by China, America and other Powers concerning her will be dispelled, with the result that Sino-Japanese friendship will be realised, and the possibility of a Japanese-American war will be removed.** Those Japanese publicists who were dead-set against Yuan Shih-kai condemned him for assuming a hostile attitude towards Japan and acting in collusion with British and other peoples, but **Japan must be held partly responsible for having driven Yuan to act in the manner he did.** If Japan had always stood for pacific principles in dealing with China, and abstained from any such actions as would provoke fears and resentment in the Chinese mind, the late President of China would not have resorted to his favourite policy of setting one Power against another. So long as Japan acts in such a way as to excite Chinese suspicion about her intentions, so long Sino-Japanese friendship will fail to develop, no matter who is at the head of the Chinese Government."

"SOUTHWARD HO! TO JAVA," SAYS JAPANESE PUBLICIST

The Hon. Y. Takekoshi, the author of "Minami e! Minami e!", which can roughly be translated Southward Ho!, is still most anxious that Japan should become the possessor of the Dutch East Indies. The gist of an article in the current number of the "Japan Magazine," is that Japan should acquire them by purchase from Holland, who has proved herself unable to maintain their neutrality in time of war. Mr. Takekoshi writes *inter alia*:

"Although the war in Europe may be said to have in some ways proved a benefit to Japan, her financial rewards have been small

compared with other countries, such as America and Holland, to say nothing of Spain and Switzerland, where the gold holdings have increased enormously. Japan must, of course, be grateful that her specie reserve has grown from 343,000,000 yen to more than 710,000,000 yen since the war began; but if this is all that we are to get from the war it cannot be reckoned of much account. Some of the amount stated includes payment for guns removed from our fortresses and sold, while Holland and Switzerland have reaped harvests not from sales but from simply allowing goods to pass through their

territories; and the money obtained by them for this privilege is greater than the total received by Japan since the war began.

"In the war with China Japan received an indemnity of 200,000,000 yen; and most of this was spent in armament expansion; and not being invested in productive enterprise Japan's trade balance naturally continued against her, while commodity prices rose steadily and national finance was reduced to disorder. The present war shows that our guns and ammunition are practically useless on a modern battlefield; and the existing number of Japanese warships is insufficient to be adequate in national defence. In air service and army motor cars we have done little or nothing as yet. To accomplish the improvements which Japan needs for national defence many millions in money are still required. If, therefore, we have to expend the wealth accumulated during the war in armament expansion, we shall have nothing left for the much more necessary expansion in commerce and industry; and then where will Japan be after this world struggle for superiority in armaments is over? If our only preparation for commercial competition be armaments, when the rivalry between the militarists is over we shall stand a poor chance of maintaining our position as a first-class power.

"Of course armament repletion cannot be regarded as absolutely useless; but the war of which we are most in danger in future is not one of armaments but of economics; and

to meet this successfully Japan must prepare for expansion abroad, by peaceful means.

"Whether Japan could maintain a war for any length of time on her domestic food resources is a question. She produces at present only about 250,000,000 bushels of rice a year; and she has a population of over 50,000,000 to feed on it. She has to import rice each year from Manchuria, Korea, Formosa and Annam. With expansion of industry the rice crop will tend to decrease in Japan rather than increase. It is therefore necessary for Japan to look to such places as Java and Sumatra as sources of rice supply.

"This is an age of iron and rubber. While Japan gets iron from China she has to look to the islands of the south Pacific for her supplies of rubber. When we say that Japan must expand southwards we are apt to be misunderstood by outsiders; but our only hope of rubber supplies is in that direction, and we can devote our attention to this subject without trespassing on the rights and interests of others. The nations of the world must recognize Japan's needs and not unjustly forbid her to supply them. Understanding our peaceful reasons for exploitation in the south, the world cannot suspect us of unworthy ambitions.

"For more than 300 years now Java and Sumatra have been under the rule of Holland. The Dutch government has always had difficulty in maintaining its rule in the

islands. As these islands are necessary for Japan, she should try by every peaceful means to acquire them. If the Dutch would consent to sell the islands, Japan should buy them, and utilize her profits from the present war to pay for them. The Dutch islands have been on more than one occasion a menace to Japan. During the war with Russia it was almost impossible for Holland to maintain the neutrality of the islands; and the same has been true in regard to the present war in Europe. After the war Germany may be expected to promote her activities in the direction of the Dutch islands, since she has lost her base of operations in China; and thus the Dutch islands may easily become a base of operations against Japan. The present status of the islands is so uncertain and weak as to become a danger to peace. Japan's desire to command the islands is, therefore, no sign of unworthy ambition, but for the peace of the world. Once Japan is in command of the Sunda straits she can slacken her naval expansion plans. What I maintain, therefore, is that Japan should not spend her profits in the present war on armament expansion but on colonial expansion, as I am persuaded that policy is more adapted to promote peace and prosperity for all concerned. In future Japan should confine her policy in China to exploitation of that country's resources without territorial ambition; and devote her main power to acquiring the Dutch East Indies and extending her colonies southward."

JAPANESE OPINION OF THE ECONOMIC CONFERENCE OF THE ENTENTE POWERS

Doubts Expressed Scathingly as to the Reality of Its Decisions

[BY PROFESSOR FUKUDA TOKUZO, IN THE "BUSINESS WORLD," A JAPANESE PUBLICATION]

"The Committee of Enforcement appointed by the Japanese Government to carry out the decisions of the Economic Conference of the Entente Powers is busily occupied in the discharge of the important duties with which it has been entrusted, the recent prohibition of communication with the enemy subjects being a result of the working of the same body. Japan's participation in the conference was dictated by her devotion to the interests of the Entente powers; the benefits accruing to herself through this move are quite infinitesimal. The benefits to Japan are ideal or spiritual and must presuppose the existence of an understanding between Japan and the Entente Powers that Japan, who has pledged herself to assist the Powers economically, shall in her turn be entitled to a proper respect of her own interests by the same Powers within the limits permissible by their own. In other words the Entente Powers secured Japan's co-operation for the attainment of the object of their war, which is to promote their economic interests, by their pledge to respect Japan's interests.

"Several important events that have transpired since the conclusion of the Paris Conference tend to make one doubt if the spirit of this compact between Japan and the other signatories to it is being carried out in practice. The prohibition of the import of hosiery to Britain and of the export of wool from Australia is a direct injury to the economic interests of Japan. The matter would assume a different complexion if it were possible to prove that Britain's own interests would be menaced or that she would be incapacitated to prosecute the war by not adopting this measure of prohibition. But such certainly was not the case. On the contrary a serious injury to our own industrial

interests was entailed. Fortunately the hosiery question was brought to a timely end, but to the "outsiders" or "unprofessionals" Britain appeared to have made a "demonstration" with a certain purport against Japan. It was conclusively demonstrated that Britain, if she were so inclined, had it in her power to throw Japanese manufacturers into a most embarrassing predicament by the easiest means imaginable.

"It is time we paused to reflect what aim we had in declaring war against Germany. If we had meant to wreak our vengeance against the interference of the three Powers, we should not forget our grudges against France and Russia too. We had no account to settle with Germany in particular. If German occupation of Kiaochow is a menace to the peace of the Orient, Britain's presence at Singapore and Russia's presence at Vladivostok must be considered in the same light. The premise must hold good, therefore, that Germany's proceedings in occupying Kiaochow were detrimental to our economic interests, but that Britain's occupation of Hongkong or Singapore, meant no conflict with our economic interests, and that Japanese and British interests could co-exist in the Eastern markets. If Britain means to keep up her interests in these parts of the world side by side with those of Japan, Japan must expect her to respect her (Japan's) commercial position in the world. For Britain to prohibit a trade and thus deal a death-blow to a section of helpless Japanese manufacturers, without a frank avowal of her intention or so much as a preliminary consultation with Japan, must be declared a high-handed proceeding. It was a measure that she could afford to retract according to the nature of the protest entered against it, and yet how abruptly it was in-

troduced! We fail to discern how Britain can reconcile her declaration of alliance with us to such a proceeding. She knows full well that the Japanese wool weaving industry is doomed to instantaneous death without obtaining the supply of raw material from Australia. The Indian Council Bill affair is another incident that makes us doubt the sincerity of British commercial policy toward us. Without Indian cotton the Japanese spinning industry cannot exist, even with the abundant supply from America. Next to food cotton clothing is an article of absolute necessity to the Japanese people. To restrain the supply of cotton to us in any way merely to subserve the convenience of British financiers, is an act unpardonable from the point of view of humanity as well as commercial morality. And this self-seeking act was committed against Japan, a country so truly loyal to Britain, so devoted to the interests of the Entente Powers, and always striving to the utmost of her ability to help Britain and Russia,—a country where people are looking upon Britain as their second fatherland and are delighted at the sight of Union Jacks crossed with their national flags!

"Whether as a commercial or as a manufacturing nation, Japan is not serving her best interests by fighting Germany. Prussian militarism is an abominable factor in Europe, but it has done no harm to Japan. The Japanese Army which has triumphed over China and Russia was an imitation of the German prototype. It is doubtful if the same results could have been obtained if our Army were modelled on that of Britain or France. We owe something to Prussian militarism but have no cause to resent it. It is the British commercialism and navalism that has every possibility of colliding with Japan's interests.

To speak emphatically, Germany struck out from the map of the world would mean nothing to Japan, but the effacement of Britain and the British Navy would leave something for Japan to grasp, even after America and Germany have had their fullest shares of the booty. Without, of course, dreaming for a moment that we shall ever be compelled to make the choice, if either Britain or Germany must be crushed, Japan's own interests counsel her to wish for the downfall of the former. Respect for each other's rights and interests and prestige as an independent country, or reciprocity of obligations, is the requisite condition for the mutual subsistence of the Powers.

"Japan undertook to oppose Germany at such a heavy expense not solely from her regard for her interests. It may be that she could have best consulted her interests by observing strict neutrality from the very beginning. But at the same time we are not of opinion that Britain deserves destruction. We believe and shall continue to believe that Japan's wealth and strength can be promoted by maintaining the present international conditions. We believe that although Japan's interests may clash with those of Britain at certain points, that simple fact will never drive them to wage war with each other, and our persistence in this belief is based on our further belief in Britain's sincerity of purpose and her readiness to reciprocate our confidence. But Britain is apparently wielding her economic influence and utilizing her position of advantage to unnecessary purposes. The prohibition of communication with the enemy subjects is meaningless, unwise from the Japanese point of view. Communication with the enemy countries has never been interdicted during the interval of two years after the outbreak of the war, but we have never heard of a German agent having tapped Japanese secrets. There is no further possibility of Japan and Germany exchanging shots. If so, we fail to see any necessity for prohibiting correspondence with the enemy countries two years after the siege of Tsingtao during which no such precautionary measure was enforced. The very limited channel through which we have till now obtained whatever information we could from Germany, has now been closed to us, and we are allowed to get only such news as has passed English censorship. This is annoying to us, for we are reduced to a state of seclusion. We have imposed upon ourselves this restriction not for our own sake, but from our devotion to the interests of Britain in particular and of the Entente Powers in general. And we willingly lay aside all considerations of our own comfort, because we feel confident that Britain on her part will pay a proper amount of respect to our economic rights and interests. Yet so very soon after the Paris Conference was opened, Japanese economic rights have been or are in danger of being jeopardized by British whims to a much greater extent than are the rights of countries not signatory to its decisions of mutual helpfulness.

"The Entente Powers' reply to the United States of America in relation to the latter's peace mediation included no reference to Japan. While it spoke of the removal of the Turkish Empire to Asia—an impossible proposition—and the compensations to the suffering natives of Belgium and Serbia, no reference was made to the prevention of German aggression in the East or the German menaces to the Eastern trade. To speak tersely, the war is a European war after all, and the terms of peace are framed 'to suit the convenience of Europeans,' no mention being made of things extra-European. What about Tsingtao and the South Sea Islands under Japanese occupation? While the restoration of Alsace and Lorraine is a fixed condition of peace, nobody knows whether Japan is to become the permanent possessor of those islands or whether she has to evacuate them in the end. Japan took temporary possession of the islands in question in order to use as stepping stones in our southward march. Sentimental or circumstantial considerations apart, Japan must retain pos-

session of the Southern Islands or at least turn them into bases for her economic expansion southwards, even if she should consent to return Tsingtao to China. Burning tramcars at Hibiya Park (an episode of the popular tumult following the retrocession of Liaotung Peninsula) will not help matters much, in case Japan is deprived of her insular acquisitions at the coming peace conference. That no mention was made of them in the Entente Powers' reply to America, shows, the writer is constrained to fear, that they have no respect for Japan's economic interests. He is not a 'diplomatic stalwart,' neither an Imperialist, nor an advocate of territorial expansion by depredatory means, but he would insist on claiming for Japan what she is properly entitled to. Considerations of prestige and honour have caused Japan to remain a faithful ally of Britain, even at the sacrifice of her own interests, but the writer regrets that she should have been tied to duties that bring no return to her, such as the prohibition of communication with the enemy countries, while she herself is assured in the possession of no part of her economic interests acquired through her prosecution of the war.

"No one will deny that 'the first stone has already been cast' for the restitution of peace. It is time that Japan made preparations for peace. She should know that a good deal of haggling will take place at the Peace Conference. Britain's commercialism will not forsake her even at the council of peace. Her statesmen are advancing tall claims, knowing all the while that they are impracticable of enforcement. The Sultan's Empire will never remove to Asia. Now it is a truism that a man is readier to sacrifice what is of the least consequence to him than what is near and dear to him. Germany will find it as hard to part with Alsace and Lorraine as Russia will with Luthnia. Every Power represented at the Peace Conference, if compelled to make a sacrifice, will first think of offering something that lies beyond the borders of Europe, if it has any such to offer. Belgium may propose to surrender her Congo States and Germany may

desire to make a scapegoat of her African possessions. Settlement will be sought beyond the European horizon. Thus, Japan, so far removed from the scene of the hottest warfare, stands greatest chance of being made a sacrifice of. The world knows that she is not paying very much for the war but is reaping a large profit out of it. She will naturally be considered a party to the peace negotiations with the least power of insistence on her claims. Her interests in Tsingtao and the Southern Islands will be easily waived, the more easily if her hold on other interests appears to be weak and half-hearted. It is absurd to think of getting indemnified for the surrender of our claims by the Entente Powers who are so badly off financially. The Japanese people rarely spend their thoughts upon a diplomatic question of vital importance to them until its solution becomes a pressing necessity, and then if they are not satisfied with the solution offered they burn tramcars and police stations. For the moment the Southern Islands have no place in their memory.

"The Entente Powers have each made something out of the Economic Conference. Japan has incurred heavy responsibilities without securing any return for them. The late Marquis Komura returned from the Portsmouth Conference after doing the utmost he could, and was accorded a very cold reception at home. Baron Sakatani has incurred no displeasure of the nation, but it were better that he had, we should not have been forced to a policy of seclusion. God knows what the other Powers have promised themselves by secret treaties; on the surface of things Japan has acquired no rights. And the Conference had scarcely closed when the questions relating to hosiery, copper, wool and the Indian Council Bills have sprung up one after another. As to the Council Bills the Minister of Finance and the Minister of Agriculture and Commerce have given us contradictory explanations, and the whole question remains a quibble."—From the *Japan Financial and Economic Monthly*.

GOULDS' NEW LIFT AND FORCE PUMP

For pumping out excavations, cellars, trenches, quarries or for similar services where large quantities of muddy and gritty water, sewage or semi-fluids are to be handled, this pump makes an excellent outfit. Its large capacity makes it especially useful to water companies for filling mains for test purposes. The mains are filled by the diaphragm pump; the pressure pump is then applied to increase the pressure to the desired point.

For services where a portable power pump is required, this pump makes an excellent outfit mounted on a frame and connected to our Fig. 1589 Jack, as illustrated, for engine drive.

A new Diaphragm Force Pump has been developed by the Goulds Mfg. Co. to meet the demand for a moderately priced, compact pump, good for a force of 15 feet and the ordinary Diaphragm Pump suction lift. Its being a force pump makes it especially desirable, in that the pump can be placed in the trench, or excavation, and the water or sewage forced to the top. This feature gives to this pump a decided advantage over the ordinary diaphragm pump.

The pump is fitted with an air chamber to insure a steady flow.

The discharge elbow is designed so that it can be bolted on with the discharge pointing in any one of four different directions.

Both suction and discharge are cut for 3-in. hose or iron pipe thread, which is the thread used on commercial hose couplings.

The diaphragm in this pump is 12-in. in diameter and is made of the best quality of rubber and is guaranteed to stand hard service. The valves are metal, rubber-faced and easily removable. The waterways are large and permit an easy flow of fluid. The lever is wrought iron and reversible. This feature, together with a double level socket, makes it possible to operate the pump vertically or horizontally or from either side with one or two levers.

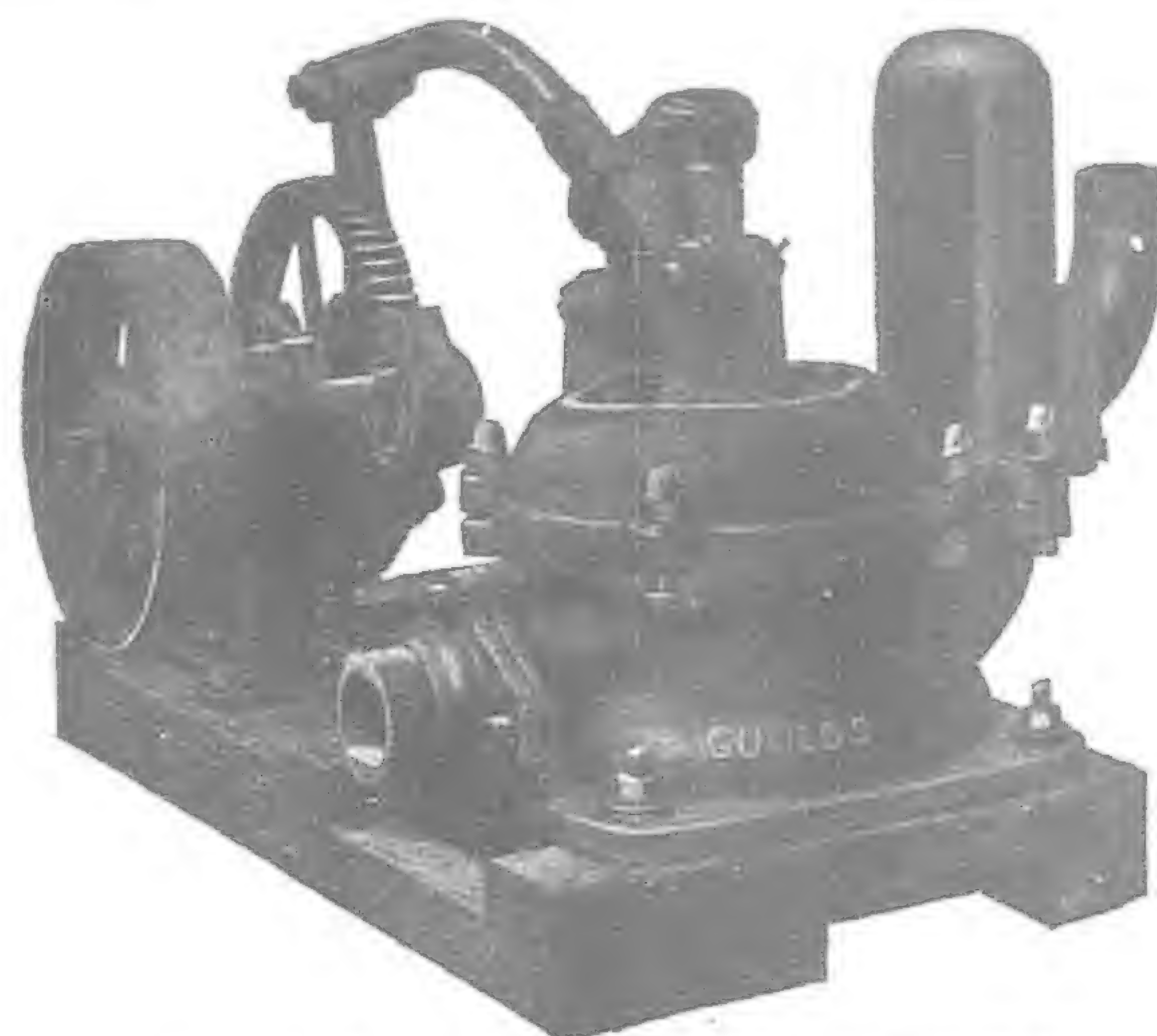


FIG. 1687 MOUNTED ON FRAME AND CONNECTED TO FIG. 1589 JACK

ENGINEERING, FINANCIAL AND INDUSTRIAL NEWS

RAILWAYS

Canton-Hankow Railway Progress.—The following account of the past year's work on the Canton-Hankow Railway is abstracted from Customs reports:

Considering the many adverse conditions under which work on the Hupeh-Hankow section of the Canton-Hankow Railway continued to be carried on, the Administration are to be congratulated upon having accomplished as much as they did, although that amount was not so great as it certainly would have been had material from abroad been procurable and had funds been adequately provided. The war so seriously hampered the supply of indispensable articles of European and American manufacture that special measures had to be adopted to keep the work going at all. Fortunately, the Administration were able to draw upon some of the stocks of the I-K'uei section of the Hankow-Szechwan Railway, and so by resorting to many devices it was made possible to continue operations. During the early part of the year there were some political troubles in Hunan, and heavy rains were followed later by low water in the creeks, making transport difficult, all of which contributed to the retarding of progress.

Coming to particulars 1,686,000 cubic fong of earthwork were completed; and although here and there accidental subsidences had to be made good, the earthwork of this section of the line is practically finished. The bridgework went forward satisfactorily, notwithstanding that it is exceptionally heavy and in places difficult. Two piers in the Milo River and Liuyang River had to be founded with pneumatic sinking plant. Some girders and steelwork have yet to be received and placed. Of the bridges finished, 49 have spans of over 60 feet, while one is more than a quarter of a mile long. About 15 miles of track have been laid southwards of Yochow and 45 miles northwards from Changsha. The erection of the steelwork of the large span bridges is in full swing, the Hsinchiang River bridge is almost completed, the Milo River bridge (eight spans of 150 feet each) is expected to be finished in about four months' time, while the two large bridges at Laotao and Liuyang, near Changsha, will be completed in about two months' time. The low level of the Siang River during the last four months of the year retarded progress, the transport of materials being almost impossible. At the end of 1916, with the help of a stock of rails originally destined for the Szechwan line, 109 miles of track, excluding sidings, were laid, thus completing 140 miles of the main line out of the 226 miles of railway that separate Wuchang from Changsha; but owing to the uncertainty of the future provision of money and materials, the date of their connexion cannot be predicted at the present time. Already the populace hear the whistle of trains. In a few years Wuchang will extend beyond the city walls towards the railway station, and there will be a development and a concentration of trade in that neighbourhood which bids fair to rival the position of Hankow. The line is laid at such a distance from the port of Yochow—the station being $2\frac{1}{2}$ miles distant, and no road to it beyond country paths,—the operation of the line will be only a modified convenience to Chengling.

Nan-Hsun Railway Progress.—According to a Kiukiang Customs Report the Nan-Hsun Railway bridges had been so far completed in

1916 as to allow of the passage on the 6th June of the first through train to Nanchang. The through trip takes four and a half hours, as opposed to 24 hours under favourable conditions by launch. The construction of the railway has taken 10 years and cost close on \$12,000,000. Receipts during the low-water season have doubled in amount, from \$500 to \$1,200 daily, and in addition the company receives \$10,000 monthly from the Hukow likin station, being the proceeds of special taxes collected on behalf of the railway on paper, timber, grasscloth, rice, and indigo. The rolling-stock at present consists of 10 locomotives, 25 passenger-cars, and 75 goods wagons. The passenger fare for the through journey ranges from \$3.25 for first class to \$0.50 for fourth class, and freight charges vary from \$4.96 to \$1.60 per ton according to the nature of the cargo.

Ning-Hsiang Railway Survey.—In railway construction, says a Nanking Customs report, very little has been accomplished during the past year. The Lung-Hai line has been completed as far as Suchowfu, and is now adding largely to the volume of trade that reaches Pukow by the Tientsin-Pukow Railway. An excellent survey of the route proposed for the Ning-Hsiang Railway has been carried out, but all work has been suspended since August. It is to be hoped that construction will be resumed at an early date, as the country to be traversed is rich in agricultural products and mineral resources, and the line when completed should prove a very remunerative enterprise.

America to Buy Mansuri and Changchun Line.—According to the Changchun correspondent of the *Tokio Nichi Nichi*, a section of the Chinese Eastern Railway line will be transferred from Russia to the United States.

This rumor, said to be based on information emanating from a reliable Russian source, says the section of the railway line between Mansuri and Changchun will be sold to the United States. One American resident who seemed to be proud of the American success in securing this concession, is reported to have said that the negotiations on this bargain have already been finished between the two governments.

Commenting on the above, the *Japan Advertiser* says:

At the time the Russo-Japanese Convention was being negotiated early last year, a proposition was made that Russia cede a section of the Chinese Eastern Railway between Changchun, where the Japanese South Manchuria Railway terminates, and the Sungari River, as a collateral of the convention. Viscount Motono was then in Petrograd as Japanese Ambassador and was quietly negotiating for the transfer of the railway. It was understood then that the negotiations were being carried on smoothly with much success, and everything was apparently fixed by the two governments so that railway companies could sign the contract of transfer, when the news was prematurely published broadcast. Russians took notice and objected to the proposition.

It was charged in Japan then that Marquis Okuma, former premier, was responsible for giving out the news. Whoever was responsible, Viscount Motono, when he returned to Japan, complained that his diplomatic service had often been put to nought because

of premature publication of facts or fictions. He was then speaking in a general way without blaming any one except the press, which he thought was indiscreet.

However, the completion of the negotiations for the transfer of the Chinese Eastern Railway between Changchun and the Sungari River was one of the things which Viscount Motono failed to bring about. The proposition is even now at a standstill, although at that time that proposition and the right of navigation on the Sungari River were considered to be two collateral conditions for concluding the convention, that is, as far as Japanese people were concerned, no matter what the position of the Russians may have been. The Japanese had thought because of the good feeling existing between the two nations, Russia should be willing to part with her possession, of which Japan could make a better use than the Russians themselves.

New Kwangtung Railway Plan.—A company is being formed to build a railroad from Weichow in Kwangtung province to Cheung Muk Tau where it will connect with the Kowloon-Canton Railway, says a Hongkong press report. This will give Weichow direct connection with Hongkong and Canton. It is being suggested that a motor service be put in operation immediately to meet the needs of rapid transit until the railway is completed. Weichow is also on the railway planned from Canton to Fukien province.

Shihpingkai - Chengchiatun Railway.—The damage done to the Shihpingkai-Chengchiatun Railway and the bridge at Sankiangkou by the recent flood has been found not so serious as at first feared. Unless something unforeseen takes place, the construction work of the whole line is expected to be finished by the end of October. As the conclusion of the construction work is now within sight, the railway management is preparing to open a traffic department whose staff will be composed of about 150 Japanese and Chinese. The Japanese staff will comprise seven officials, all of the South Manchuria Railway Co.

Mr. Wu-wu (Director of the Railway), accompanied by seven of its chief officials, including engineers, recently visited the Railway Workshops, Shahokou, at Dairen, and conferred about the rolling stock to be borrowed from the S. M. R. Co. It consists of 4 locomotives, 10 passenger cars, and some 60 goods cars. It is expected to operate experimentally on the new line by the end of November.

S. M. R. and Chosen Lines Linked.—The agreement for entrusting the management of the Chosen Railways to the South Manchuria Railway Co., has been signed and is in substance as follows:—

1. The profit and loss of the Chosen Railways shall be kept as a separate account. Until the profit reaches 6% of the invested capital amounting to Y50,091,116 the whole sum shall be paid to the Government-General of Chosen. In the case of the profit exceeding 6%, half the excess amount shall be paid to the Government-General. Any loss shall be made good from the profit in the succeeding years.
2. The construction costs of new lines shall be borne by the Government-General of Chosen.

3. The period of entrusting shall run for full 20 years from the date of signing the agreement which may be cancelled at any time if deemed necessary. The taking of extraordinary steps shall be ordered in war time.

4. The S. M. R. Co. shall be placed under the direction and supervision of the Government-General of Chosen as regards the management of the Chosen Railways.

Yokohama Railway Sold.—The Yokohama railway which is now leased to the Imperial Japanese Railway Bureau has been sold for 3,500,000 yen to the latter. The amount will be paid in government bonds. The balance of the bonds and the actual price of the railway will be paid by cash. The company will hold a meeting of the shareholders and decide whether they will accept the bonds. If the shareholders desire the money in cash, the bonds will be sold and the amount paid to the shareholders.

Japan to End Car Shortage.—A plan is said to have been devised by the Imperial Japanese Government Railways for the solution of the freight congestion, as the result of a meeting held in Tokyo by the chiefs of the different sections, and a large number of new freight cars will be built during the present fiscal year.

The car problem came to a head last year when the accumulated cargo amounted to more than 500,000 tons and threatened to reach 600,000 tons. Even now the total amount of freight accumulated is said to be more than 450,000 tons.

According to the new scheme of relief the Imperial Government Railways order 1,500 freight cars from the Japan Rolling Stock Company, Nagoya; the Kawasaki Dockyard Company, Kobe; and the Osaka Railway Car Company, Osaka, on the condition that all those new cars will be completed and delivered to the Imperial Government Railways by the end of the present fiscal year, that is, by March next year, and that of the whole number, 250 cars will be delivered by the end of October this year.

Japanese R. R. Employees Get Higher Wage.—Beginning September 1, the Railway Board has decided to raise the salaries and wages of its employees, who get 40 yen or less a month. From September until March next or the end of the current fiscal year, about Y2,000,000 will be necessary for the raising of these employees' pay. The board began several months ago giving special allowance to each of its employees and that allowance will be continued this month. The authorities have decided to raise the salaries of the employees permanently, because otherwise they will not feel assured of their future financial position, and may seek more lucrative employment.

Railway Expansion in Malaysia.—Notwithstanding the turmoil in Europe, the British authorities in the Malay Peninsula have been steadily pursuing a progressive policy of railway extension which has been retarded only by the difficulty of obtaining supplies of ironwork from the United Kingdom.

Under the Treaty of 1909 which transferred the Malay States of Kedah, Perlis, Kelantan and Trengganu from Siamese to British suzerainty, the Federated Malay States authorities agreed to lend a sum of £4,000,000 (afterwards increased to £4,750,000) to the Siamese Government to enable them to extend the State Railway southwards to form connections with the Federated Malay States Railway at the frontiers of Kelantan on the east and of Perlis on the west. The work has made steady progress, and is rapidly nearing completion. On their part, the F.M.S. Railway authorities have been pushing on the extensions northward, through the western

states of Kedah and Perlis; and recently Mr. P. A. Anthony, the general manager of the F.M.S. Railways, accompanied by some members of his staff and Mr. H. Gittins, the chief engineer of the Siamese State Railway, made the journey by train from Bangkok to Prai on the mainland, opposite to the Island of Penang, by way of Bukit Mertajam, the junction in Province Wellesley. The party was thus the first to make the journey over the new railway connecting Singapore and Penang with the capital of Siam.

The line on either side of the frontier cannot be considered complete, and may not be opened to general traffic till next year. A number of bridges and other masonry work remain to be completed on the Siamese side, and the final work will be taken in hand as soon as possible under present war conditions, with the necessary iron-work impossible to obtain from England. On the British side, only the iron-work of a few bridges awaits completion. Portions of the line have been finished in Northern Kelantan, while an extension of the existing F.M.S. Railway system has been made from the junction at Gemas, through the eastern State of Pahang northwards as far as Kuala Lipis, with a view of linking up with the Kelantan section as soon as opportunity offers.

The value of these railway extensions will be obvious to anyone who takes the trouble to look at the map of the Malay Peninsula. The railway will open up rich tracts of land for mining exploitation and tropical cultivation in a region which has already proved a valuable asset to the British Empire. Its commercial convenience will also be great, while transit for mails and passengers from Europe to Bangkok will be shortened by several days, and the sea journey up the Gulf of Siam—a nasty one in the north-east monsoon—will be avoided.

Shanghai Tramways Receipts.—The following is the Traffic Return of the Shanghai Tramways (Foreign Settlement) for August, 1917, and for 8 months ended August 31st, 1917, with figures for the corresponding periods last year:—

	August, 1917.	August, 1916
Gross Receipts ...	\$ 130,422.08	\$ 129,803.82
Loss by currency depreciation...	29,087.05	34,425.40
Effective Receipts		
... .. Mex.	\$101,334.03	\$95,378.42
Percentage of loss by currency depreciation ...	23.58	27.99
Car Miles Run...	332,528	330,194
Passengers carried...	6,040,171	5,901,451

	8 Months ended 31st. August, 1917.	8 Months ended 31st. August, 1916.
Gross Receipts...	\$ 1,048,762.66	\$ 985,047.73
Loss by currency depreciation ...	233,403.01	259,727.60
Effective Receipts		
... .. Mex.	\$815,359.65	\$725,320.13

Percentage of loss by currency depreciation...	23.57	27.99
Car Miles run ...	2,906,116	2,442,921
Passengers carried	47,618,085	43,752,997

SHIPPING

Japan's Shipbuilding Capacity.—The shipbuilding yards equipped with building berths for the construction of vessels over 1,000 tons in Japan numbered only 6 or 7

before the War, but have been increased to about 30, with some 90 berths either in use or construction. As there are several new dockyards under contemplation, the aggregate number of the building berths in Japan is likely to reach 100 in the course of this year.

According to an expert computation, the average capacity of these berths may be put at not less than 4,000 tons. In case of their capacities being taxed in full, about 400,000 tons would be put out at a time, provided all the necessary building material, and equipment such as boilers, engines, etc., be obtainable. Calculating the time for the completion of a ship to be 6 months, the total yearly output would be 800,000, which, when it is reduced to a practical basis, might be discounted by 20 or 30 per cent. At all events, granting that an adequate supply of material be available, the production of 600,000 tons (about 1,000,000 tons dead weight per year) would seem quite feasible.

As a matter of fact, Japan has about 50 vessels amounting to 200,000 tons under construction. But, if the supply of building material should fail, say in consequence of the American ban on export of iron material, the construction work would have to be brought to a standstill, or at best would be more or less delayed. Much depends on the supply condition of material, and on this account, what is called Japan's building capacity is, in a sense, on paper. In fact, the home products of iron material are put at 30,000-35,000 tons only per year, which barely suffice for turning out 70,000 or 80,000 tons.

Japan's Shipbuilding Supplies.—According to the latest investigation by the Mercantile Marine Bureau of the Communications Office into shipbuilding materials for the Japanese yards, those already contracted for, but not yet delivered are put at 321,000 tons and those on hand as about 100,000, making an aggregate of 421,000 tons distributed as follows: Plate, 288,000 tons; cold rolled steel, 124,000; boiler plate, 5,200 and bar steel 4,200 tons.

The Osaka Iron Works and the Kawasaki Dockyard Co. are said to have the largest stocks.

The number of vessels planned to be built and already officially sanctioned is 111 of 544,580 tons, and applications for 70 vessels of 441,737 tons have been filed for Government sanction, making a total of 190 ships of 976,317 tons. As against this must be equalled the 100,000 tons of materials on hand which is just one-tenth of the total and twenty percent of the present and urgent needs of Japanese shipyards.

New American Steamship Line.—The America-Asiatic S.S. Co. of San Francisco, is said to be preparing to inaugurate a monthly regular steamship service between San Francisco and Vladivostok, chartering three 6,000 tons class ships. They will engage in carrying general cargo, calling at ports in Japan and China. The first steamer was expected to set sail from San Francisco early in August.

N. Y. K. Buying Ships.—The Nippon Yusen Kaisha, Japan's biggest shipping firm, is now trying to purchase several ships at the home dockyards. Mr. Ginjiro Katsuta, a leading shipper of Kobe, reports that the Nippon Yusen Kaisha has just signed contracts with the Nippon Kisen Kaisha, which is financially backed by the Ruhara Mining Corporation of Osaka, to buy seven ships, 60,000 tons deadweight, worth approximately Y42,000,000. It is further reported that the Nippon Yusen Kaisha drew in favor of the Nippon Kisen Kaisha a check for Y8,400,000 to guarantee the bargain. This is probably the biggest shipping deal ever transacted in Japan except those with foreign buyers.

The seven ships which are now being built at the Osaka Iron Works will be finished after June, 1918. They include: two 5,000 tons and five 10,000 tons. Coincident with this announcement it is also reported that the Nippon Yusen Kaisha will shortly increase its capital.

When the Osaka Shosen Kaisha increased its capital to Y50,000,000 early this year, which is Y6,000,000 more than that of the Nippon Yusen Kaisha, many leading shareholders of the Tokyo firm also advocated an increase in capital. Considering, however, existing shipping conditions, the board of directors of the Nippon Yusen Kaisha has turned down all applications advocating the increase of capital. All surplus profits have been turned into the reserve funds in order to effect an expansion after the war.

French Mail Seeks Loan.—It is reported in Japanese financial circles that the Messageries Maritimes Steamship Company of France is in negotiation with Tokyo bankers for the issue of a loan in Japan, which will be used by the company in paying for its purchases here. The purchase of hulls by foreign shipping companies in Japan since the war began is said to have amounted to more than Y70,000,000.

FINANCE

Changchun-Kirin Agreement.—The Kirin-Changchun Railway Loan Agreement will shortly be formally revised between representatives of the South Manchuria Railway Company and the Chinese Government, reports the Tokyo *Asahi*. Last fall, the Japanese in charge of the matter secured tentative agreement from the Chinese Government to revise the agreement in question. Owing to the opposition of Chinese parliament the matter was delayed, but the Chinese Government has given a pledge that it will take the responsibility as to that matter regardless of opposition of parliament.

Now that Parliament has been dissolved, the Japanese interested in the proposition have pressed for signatures on the agreement, and the Chinese Government has consented to sign it.

The terms and condition of the loan will be same as in the tentative agreement signed last fall. The amount of the loan is to be 6,500,000 yen, of which 2,500,000 yen has already been invested, so that additional amount of investment will only be 4,350,000 yen. The term of the loan will be 40 years. At first Japan wanted to make it a fifty-year loan, but a concession was made. For the concession made in the term, Japan is to get the right to manage the operation of the railway on behalf of the Chinese Government.

Belgium in on Chinese Loan.—According to a Peking despatch to the Tokyo *Nichi-Nichi* the French Minister has proposed that Belgium be included in the International Loan Consortium. A certain power is said to have objected to the proposition, but it appears to have been decided on the whole. Criticism has been heard over including Belgium, when America is not a member of the group.

Philippine Govt. Gains P-4,000,000.—An increase in internal revenue collections of four million pesos, is reported by Acting Collector Powell in a statement showing the revenues of the first six months of 1917 compared with those of the corresponding period of last year. Between January 1 and June 30, 1916, it appears, the sum of P16,739,933.73 was collected while during the same period of this year, P21,093,395.30 accrued to the public

coffers. The total receipts derived from the assessment of the one per cent tax on gross receipts of merchants, manufacturers, and common carriers, were over two million pesos in excess of those of the first six months of 1916, which is an increase of 33 per cent. This is due partly to the increased prices of commodities and also indicates an increased volume of general business transacted. Income tax collections increased by 160 per cent. One hundred per cent of this is due to the double rate now in force, while additional time devoted by the bureau in the proper enforcement of the law yielded the other 60 per cent. There was an increase of 100 per cent in collections on business done by banks.

To the shortage of Philippine cigars and the publicity campaign waged by the internal revenue bureau in the United States is traceable a substantial increase in duties collected on cigars, amounting to over 100 per cent. Increased activity of the internal revenue officers resulted in a 60 per cent augmentation of fines and forfeitures.

Philippine Treasury Profits.—The operation of the treasury bureau during the fiscal year 1916, considered from a standpoint of commercial enterprise, resulted in a net profit of P98,091 as compared with P797 for the preceding year, states Insular Treasurer Fitzsimmons in his annual report. All of the receipts on account of interest on general treasury funds deposited with banks, being incidental to the operation activities of the bureau, were placed to its credit in order to present a proper showing of affairs. Reference is made in the report to the successful suit prosecuted by the treasurer against the Monte de Piedad, for the recovery of P80,000 belonging to the Spanish earthquake fund of 1863.

Manila Customs Collections Increase.—Characteristic of the prosperity which war times bring about is the showing made by the bureau of customs in the Manila collections for June just ended which are about P200,000 in excess of those for the same period last year, while the internal revenue collections on imported goods made by the bureau during same period has exceeded the figures for the same month last year by about P70,000.

Big Profits of Philippine National Bank.—The net earnings of the Philippine National Bank during the first six months of the current year have been at the rate of 20% per annum on the total capital stock already issued, and after a meeting of the board of directors of the institution, it was announced yesterday that, in accordance with the provisions of the bank's charter, five per cent has been set aside in the reserve account, and a dividend has been declared to stockholders of record on June 30, of five per cent for the half-year.

According to the terms of a letter submitted by President Ferguson to the board of directors of the bank yesterday, the first six months of the present year have been exceedingly propitious for the institution of which he is the head. Since the inauguration of the bank, he states, no pecuniary loss of any sort has been suffered by that institution in any of its transactions, and the total amount of paper in the bank past due for a period of from one to 45 days, on June 30, was P2,700, none being past due for a longer period. In conclusion he says that "no paper has been renewed by the bank because of failure to or inability to make payment when due, and all past due paper is collectible."

Philippine Public Works Loans.—The Philippine government loan program designed to aid provinces and municipalities in the construction of public buildings, schools,

markets and bridges, for 1917 is one of the largest and most comprehensive for many years.

Plans for the distribution of the insular funds available for such loans are now practically completed and among the authorized loans are the following: Rizal province for a bridge on the Malabon-Navotas road, P25,000; La Union province for the Baloan bridge, P60,000; Occidental Negros for the Binalbagan-Sumag bridge, P54,000 and Calumpit, Bulacan province, for a central school, P36,000.

Japan's Gold Holdings.—The last week ending August saw another immense increase in the gold holdings to Japan's account. According to the official returns Japan's gold hoardings are Y939,000,000, an increase of Y15,000,000. Of the total Y317,000,000 belongs to the Imperial Treasury and Y622,000,000 to the Bank of Japan. Only Y389,000,000 is kept at home, the remaining, Y550,000,000, being kept in London and New York.

Japanese Send Million Dollars Home.—One-third of a million dollar increase in international U. S. money orders sent to Japan by Japanese residents of the territory is shown for the fiscal year which ended July 30. Figures made public yesterday by Assistant Postmaster W. C. Peterson show the total value of money orders certified to Japan from the Territory of Hawaii for the fiscal year 1916-17 to be \$1,196,038.30, against \$861,868.05 for 1915-16.

MINES

Changsha Mineral Exports.—The most important local article of export from Changsha during 1916 was antimony, which, like many other native products, though shipped in the first instance to Hankow, eventually was exported abroad. The export of antimony regulus shows an increase of 8,673 piculs as compared with the figures for 1915, and although the shipments of antimony, crude and ore, show a decrease, this is probably due to the local smelting started in 1915, as mentioned in the report for 1915. The export of antimony refuse, which requires more skilful handling than rich ores to obtain paying results and can scarcely be worked economically by the local smelting plants, shows an enormous increase, the figures being nearly three times those of 1915.

The antimony market opened with a good demand at about 900 Hankow taels per ton for regulus (with proportionate prices for other forms of antimony), and the quotations remained between 800 and 900 taels till about the end of April, when the demand suddenly ceased on the flooding of the world's market by the enormous production of Bolivia (South America), and prices dropped steadily to 450 taels at the end of May and 250 taels at the end of July. From that time there was little change, and the year closed with prices varying from 200 to 250 Hankow taels per ton of regulus.

In 1914 Bolivia had an output of only 186 tons of Antimony ore, but owing to high prices, good demand, and rich deposits this was increased in 1915 to 17,923 tons of ore, at an average percentage of about 60 per cent. metal, which was all taken up. However, when Bolivia further enormously increased its production in 1916, the market was glutted and prices came down with a run. Changsha suffered severely, as no long-period contracts had been made; many mines had to be closed, and holders of stocks lost heavily. Prospects for the future are bad, for, though prices

abroad are double those prevailing before the war, the high rates of sterling exchange give a poor outturn in silver, while the cost of labour for production, transport expenses, etc., have increased very greatly, so that little profit is left to the mine-owners.

The export of lead ore increased enormously, doubtless stimulated by the high prices ruling for lead, the shipments amounting to 132,416 piculs, or double the amount for any previous year. The shipments all represent lead ore sold by the Hunan government in the open market and are no longer the mining output handed over to foreign merchants in fulfilment of contracts.

Some small shipments were made, for the first time in the history of this port, of tungsten ore, though not of sufficient amount to appear by name in the export trade. The ore has been analysed and found to be of a very good class, for, although the percentage of tungsten is not high—43.5 per cent.—the ore is remarkably free from metallic impurities. There is at present a large demand, due to the war, for tungsten for the manufacture of high-class tool-steel, so that large shipments of this ore may be expected in future.

Hankow Metal Exports.—During the year there were exported 75,600 piculs of antimony regulus, valued at Hk. Tls. 2,583,000, against 32,000 piculs in the year before, and 118,000 piculs of crude antimony, valued at about Hk. Tls. 3,000,000, in comparison with 160,000 piculs. The antimony regulus and crude antimony that appear in Customs returns are trade names for products the real nature of which is obscured to the uninitiated reader by the use of these terms, especially if he should attempt to translate them at their face value into another classification or language. Antimony regulus is metallic antimony from 99 to 99½ per cent. fine, i.e., high-class "star-metal," while crude antimony is the native sulphide (stibnite) liquated, containing from 70 to 74 per cent. of the metal, i.e., the antimony regulus of scientific technology. They are of peculiar interest inasmuch as for several years past China has been the largest producer and exporter of antimony in the world. The ores are found distributed over a wide area, comprising the provinces of Hunan, Kwangsi, Yunnan, and Kwangtung.

In this region Changsha is the chief centre of the business, but Wuchang has a large refining works which melts a considerable amount of ore. The greatly increased demand for antimony in the making of ammunition has been immensely stimulated by the war; and the Chinese, knowing well the great resources of their country in respect and the good quality of the metal that they manufacture, opened an office in New York and were very successful for a time in disposing of their products at excellent profits. But the demand also stimulated the industry in other parts of the world; and it is certain that, although there were no complaints about the quality of their products, the Chinese sustained heavy losses in 1916 in this business because of the severe depression in the market prices.

In January the Hankow Customs value of antimony regulus was Hk. Tls. 880 a ton, and of crude antimony Hk. Tls. 500. In December the corresponding rates were Hk. Tls. 218 and Hk. Tls. 113, the depreciation being practically continuous throughout the year. It should be kept in mind, however, that exchange was steadily rising. That disaster swiftly followed is not surprising. Some of the important causes were due to the consolidation by the large consumers as to their buying requirements, especially in New York; to the development in Spain of large supplies of ore for Great Britain; to ore from Bolivia coming into the market for some months; and to shipments from China to New York of large quantities on consignment when prices were high, resulting in a glut in New York. The effects in China were that mines and melting works which were not exceptionally well

favoured with respect to transportation and ore supplies could not bear the financial strain and had to stop work; also several large companies, trusting to the continuance of high prices and to no new sources of supply being opened up, over-specified and failed.

Hankow Iron and Ore Exports.—Under somewhat difficult conditions railway construction recovered a little, with the result that iron and mild steel rails gained 79,000 piculs in weight, with an increase of Hk. Tls. 212,000 in value, says the Hankow Customs report for 1916. On the other hand, the iron ore shipped to Japan was less by 378,000 piculs, but the value was greater by Hk. Tls. 231,000. There were great fluctuations in the price of pig iron. In April it was twice as dear as at the beginning of 1916, and since then it dropped 30 per cent. The exports to foreign countries, and also to Chinese ports, were substantially increased, the total gains being 327,000 piculs and Hk. Tls. 512,000. Whatever may have been the financial losses and gains in metals and minerals as a whole, it is satisfactory to note that Customs returns prove marked advances in quantity and value, viz., 248,000 piculs and well over 5 million Hk. Tls.

Kiukiang's Wine and Spirit Tax.—Kiukiang Customs officials report that the income derived from the wine and tobacco monopoly tax in 1916, amounted roughly to \$200,000. This figure is lower than was estimated. The Bureau has been under the provincial directorship of Mr. Chao Su-fan. For purposes of collection Kiangsi province is divided into eight districts, of which Nanchang is the head and Kiukiang the second. Each district is under the control of a Weiyuan, who appoints, under guarantee of a cash deposit varying in amount, a limited number of merchants to assist in the collection. These officers receive a commission from the collection of 7½ per cent. The new tax is, roughly, 25 per cent. ad valorem.

INDUSTRY

Industrial Progress of Hankow.—Evidence of the manufacturing development of the Hankow district was shown by the establishment in 1916, all with Chinese capital, at Hankow, of the Ah Feng Flour Mill, Tls. 1,000,000; the Min Hsin Soap Factory, Tls. 20,000; and the Han Ch'ang Soap Factory, Tls. 50,000; at Wuchang, of the Hankow First Spinning and Weaving Co., Ltd., said to be Tls. 1,500,000 to Tls. 2,000,000 (the building is nearly completed and is awaiting the arrival of machinery from England); and at Hanyang, of the Hanyang Soap Factory, Tls. 20,000. Dr. Z. T. K. Woo, general superintendent of the Hanyang Iron and Steel Works, has been so good as to supply me with the following statistics of the year's output:

Martin iron, 96,090 tons; Foundry iron, 53,839 tons; Rail steel, 9,535 tons; Mild steel, 33,568 tons.

Nothing indicated better the resources and the resourcefulness of Central China, under the stress of circumstances, than the progress of engineering. The Yangtze Engineering Works, Ltd., at Seven Mile Creek had a good and busy year, owing to the ever-increasing demand for much iron and steel work for structures of all kinds. The railways required bridges, wagons, points, crossings, etc.; and there were general orders for steel buildings, lighters, and pontoons. 50 vessels of various sizes underwent repairs; and a floating-dock is under construction. Additions had to be made to the plant—workshops, cast-steel plant, more machine tools, and a small rolling-mill. Materials were somewhat difficult to obtain, but plenty of work was the feature of the year.

The Government Paper Mill at Seven Mile Creek closed at the end of September but, under instructions from the Board of Revenue, reopened in October. The staff numbers over 100, and three kinds of paper are manufactured, viz., printing, glazed, and coloured paper. Work goes on day and night, and the output is about 500 reams a day. It is reported that more capital will be raised for its development this year. The Pei Sha Chow Paper Mill, at Wuchang, was reconstructed under new management, and arrangements are in process whereby it is expected that 125 reams a day will be produced.

The Wuchang Cotton Mill is reported to have produced 100,000 bales of cotton yarn and 600,000 pieces of cotton cloth during the year. Foreign goods being scarce, the Chinese had a splendid opportunity to establish this business. The silk and hemp departments of the mill are said to have manufactured to the value of Taels 1,500,000 and the whole establishment is supposed to have made a profit of about half a million taels.

Model Tea Farm of Anhui.—The first shipment of black tea produced by the Anhui Tea Planting Model Farm of the Board of Agriculture, says a Customs Report, had passed through Kiukiang having come down by launch via the Poyang Lake. The farm, which was started in the winter of 1915, is situated in Pingli, in the southern part of the Keemun district, and is under the management of Mr. Lu Jung who has had experience in Ceylon. In 1914 he inaugurated the Tea Industry Investigating Office in Nanking. The farm covers about 160 mow of plain and hillside and includes 7,000 old trees and 40,000 new trees; of the latter, 10,000 were sown from seed and 30,000 taken from other fields. The new shrubs are still small and, in consequence, methods are at present simple; but it is intended to introduce machinery when necessary. The rainfall in the Keemun district is rather plentiful, and drainage, more than irrigation, is a feature of the farm. During the tea season about 40 workers are employed, and in ordinary times about 16. Last season 328 5-lb. boxes, at \$4 to \$4.50 per box, were sent to Hankow for sale and 41 chests to Peking for free distribution.

COMMERCE

Yochow Wood-oil Exports.—The total value of exports for 1916 exceeded the figures of the preceding year by Hk. Tls. 455,729. Though the shipments were usually declared for other treaty ports, considerable quantities of the cargoes were really destined for foreign countries; this is especially true of antimony, hides, skins, tallow, and vegetable and wood oil. For the last-named article there is an increasing demand in America, so much as that 48,786 piculs were sent there through this port in 1916, against 10,881 piculs in 1915. The oil originated in Changteh. Substantial gains are noticeable in all the other commodities already mentioned in this paragraph. A new article of export, tungsten ore, to the extent of 330 piculs, was shipped for foreign markets.

Telephone at Kiukiang.—Under monopoly rights granted by the Board of Communications, a telephone company has been inaugurated in the city and permission has been received for its introduction within the British Concession.

POPULATION

Changsha Census Published.—A census was taken of Changsha city and suburbs during October. The results now published give the population as 535,800.